

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

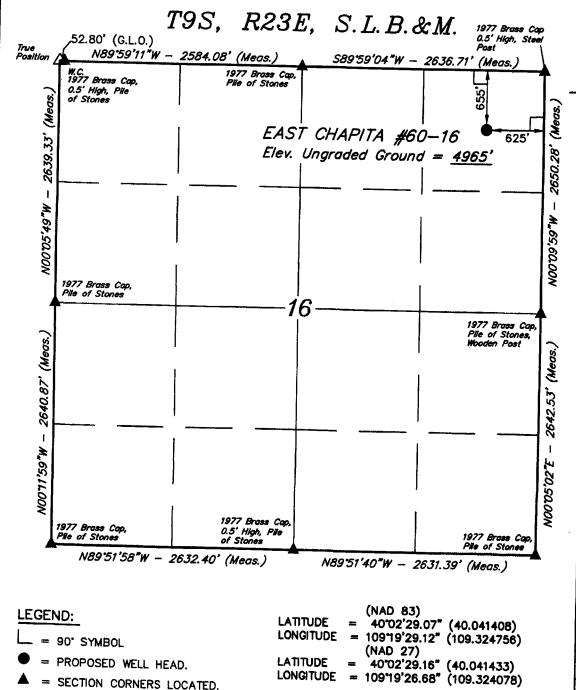
FORM 3

AMENDED REPORT (highlight changes)

	A	PPLICAT	ION FOR P	ERMIT TO	DRILL		5. MINERAL LEASE NO: ML-47045	6. SURFACE: State		
1A. TYPE OF WO	rk: DF	RILL 🔽	REENTER	DEEPEN			7. IF INDIAN, ALLOTTEE OR	TRIBE NAME:		
B. TYPE OF WE	🗀		OTHER	SINC	GLE ZONE MULTIPLE ZON	NE 🔽	8. UNIT or CA AGREEMENT	VAME:		
2. NAME OF OPE	RATOR:	.					9. WELL NAME and NUMBER			
EOG Reso				417			East Chapita 60-			
3. ADDRESS OF	OPERATOR: Highway 40	_{CITY} Verna	وتدية	UT ZIP 840	PHONE NUMBER: (435) 781-9111		Natural Buttes/Me			
	•		982 411	22 1103 4			11. QTR/QTR, SECTION, TO MERIDIAN:	WNSHIP, RANGE,		
AT SURFACE:	655 FNL 62	25 FEL (NÉ	NE) 40.041408	LAT 109.32	40.041444 24756 LON		NENE 16 9S	23E S		
AT PROPOSED	PRODUCING ZON	_{IE:} Same		-1	09.324017					
14. DISTANCE IN	MILES AND DIREC	CTION FROM NEA	REST TOWN OR POST	OFFICE:			12. COUNTY:	13. STATE: UTAH		
55.3 Mile	s Southeast	of Ouray, l	Jtah				Uintah			
15. DISTANCE TO	NEAREST PROPI	ERTY OR LEASE I	INE (FEET)	16. NUMBER OF	FACRES IN LEASE:	17. N	NUMBER OF ACRES ASSIGNED			
625					640			40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR 19. PF:OPOSED DEPTH: APPLIED FOR) ON THIS LEASE (FEET)						1	BOND DESCRIPTION:			
2550	., 0.0 0.0 0.0				9,070		М 2308			
21. ELEVATIONS	(SHOW WHETHER	R DF, RT, GR, ETC	D.):	22. AFPROXIMA	ATE DATE WORK WILL START:		STIMATED DÜRATION:			
4965 GR						4:	DAYS			
24.			PROPOSE	D CASING AI	ND CEMENTING PROGRAM					
SIZE OF HOLE	CASING SIZE, O	GRADE, AND WEI	GHT PER FOOT S	ETTING DEPTH	CEMENT TYPE, Q	JANTITY	, YIELD, AND SLURRY WEIGH	Γ		
17-1/2	13-3/8	H-40	48#	45	See Attached Eight Point	Plan				
12-1/4	9-5/8	J-55	36#	2,300	2,300 See Attached Eight Point Plan					
7-7/8	4-1/2	N-80	11.6#	9,070	See Attached Eight Point Plan					

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		-		 -						
-										
25.		. <u> </u>	.,		CHMENTS					
VERIFY THE FO	LLOWING ARE ATT	ACHED IN ACCO	RDANCE WITH THE UTA	AH OIL AND GAS C	ONSERVATION GENERAL RULES:					
✓ WELL PL	AT OR MAP PREP	ARED BY LICENS	ED SURVEYOR OR ENG	GINEER	COMPLETE DRILLING PLAN	I				
V EVIDENCE	CE OF DIVISION OF	WATER RIGHTS	APPROVAL FOR USE (OF WATER	FORM 5, IF OPERATOR IS F	ERSON	OR COMPANY OTHER THAN T	HE LEASE OWNER		
	Kaylan	ne R. Gardn	or		_{тіті Б} Sr. Regulator	ν Δee	sistant			
NAME (PLEASE	PRINT) Nayler	Gardi) G		TITLE OI. Negulator	y / 10c				
SIGNATURE	Salur	H Sou	دميل		DATE 3/15/2007		<u> </u>			
(This space for Sta	te use only	N T			Approved by the					
(p.200 tot 011	· · · · · · · · · · · · · · · · · · ·				Utah Division of		RECEN	/ED		
		us:	i/h	(Dil, Gas and Mining					
API NUMBER AS	SIGNED:	4304	1-39150	. <u> </u>	APPROVAL:		MAR 192	2007		
		·		Date	140-24-0A1	\				
					111111779 11111	7	DIV. OF OIL, GAS &	k MINING		

(11/2001)



EOG RESOURCES, INC.

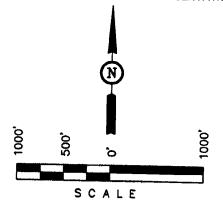
Well location, EAST CHAPITA #60-16, located as shown in the NE 1/4 NE 1/4 of Section 16, T9S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

(+00) /00-101/										
1" = 1000'	DATE SURVEYED: 08-29-06	DATE DRAWN: 08-30-06								
PARTY G.S. B.C. S.L.	REFERENCES G.L.O. PLA									
WEATHER COOL	FILE EOG RESOURCES, INC.									

STATE OF UTAH

) ss

COUNTY OF UINTAH)

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and savs:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

EAST CHAPITA 60-16 655' FNL - 625' FEL (NENE) **SECTION 16, T9S, R23E UINTAH COUNTY, UTAH**

EOG Resources, Inc., is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 16th day of March, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining.

Further affiant saith not.

Sr. Regulatory Assistant

Subscribed and sworn before me this 16th day of March, 2007.

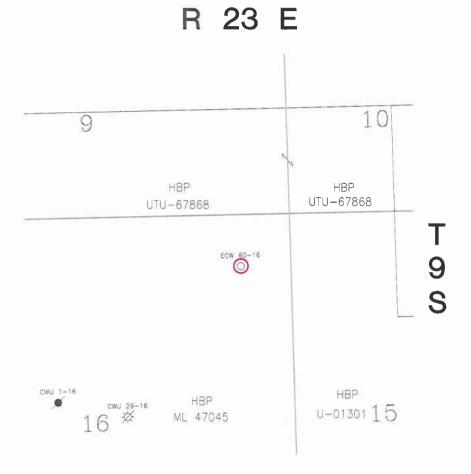
CARLA R WHITE Notary Public State of Utah My Comm. Expires Apr 15, 2008 147 East Main Vernal UT 84078

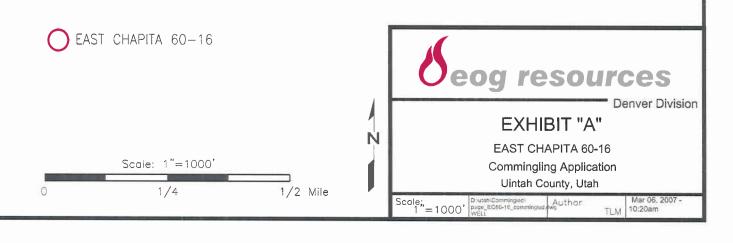
My Commission Expires:

4-15-2008

Notary Public

Vernal Utah





EAST CHAPITA 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,716		Shale	
Wasatch	4,649	Primary	Sandstone	Gas
Chapita Wells	5,224	Primary	Sandstone	Gas
Buck Canyon	5,915	Primary	Sandstone	Gas
North Horn	6,478	Primary	Sandstone	Gas
KMV Price River	6,826	Primary	Sandstone	Gas
KMV Price River Middle	7,621	Primary	Sandstone	Gas
KMV Price River Lower	8,479	Primary	Sandstone	Gas
Sego	8,867		Sandstone	
TD	9,070			

Estimated TD: 9,070' or 200'± below Sego top

Anticipated BHP: 4,952 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

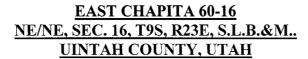
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	<u>Hole</u> Size	<u>Length</u>	<u>Size</u>	WEIGHT	<u>Grade</u>	<u>Thread</u>	Rating Collapse	<u>Factor</u> <u>Burst</u>	<u>Tensile</u>
Conductor	17 ½"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0-2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.



5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EAST CHAPITA 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. **UINTAH COUNTY, UTAH**

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead:

185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3

1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk, yield, 23 gps water.

Tail:

207 sks Class "G" cement with 2% CaCl₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2

gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead:

135 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail:

870 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EAST CHAPITA 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

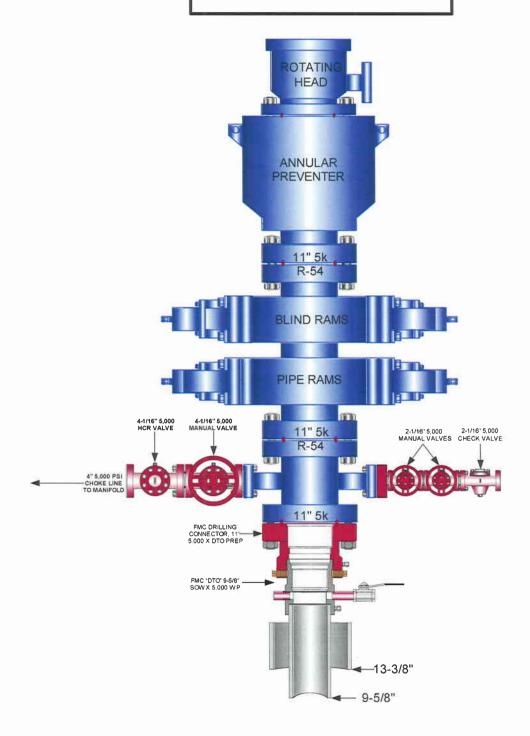
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

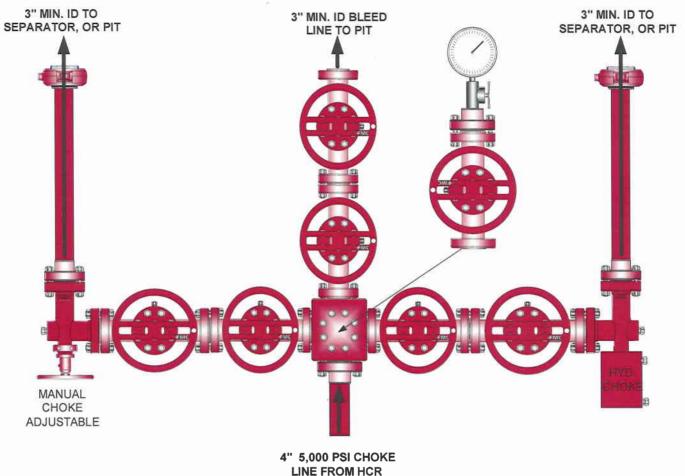
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



LINE FROM HCR **VALVE**

Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



EAST CHAPITA 60-16 NENE, Section 16, T9S, R23E Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction: Forty-eight (48) hours prior to construction of location and access

roads.

Location Completion: Prior to moving on the drilling rig.

Spud Notice: At least twenty-four (24) hours prior to spudding the well.

Casing String and Twenty-four (24) hours prior to running casing and cementing

Cementing: all casing strings.

BOP and related Twenty-four (24) hours prior to running casing and tests. Equipment Tests:

First Production Notice: Within five (5) business days after new well begins or production

resumes after well has been off production for more than ninety (90)

days.

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1848 feet long with a 30-foot right-of-way, disturbing approximately 1.27 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 3.11 acres. The pipeline is approximately 2418 feet long with a 40-foot right-of-way, disturbing approximately 2.22 acres.

1. EXISTING ROADS:

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 55.3 miles south of Myton, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 1848' in length. See attached Topo Map "B".
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined – flagged at time of location staking.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. The length of the new proposed pipeline is 2418' x 40', containing 2.22 acre more or less. The proposed pipeline leaves the western edge of the well pad turning and proceeding in an southerly direction for an approximate distance of 2418'. The pipe will tie into an existing pipeline in the SWNE of Section 16, T9S, R23E (ML 47045). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lok, electric weld with a 35 mil X-Tru coating.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface
- 4. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All existing facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. Ancillary Facilities:

None anticipated.

9. WELL SITE LAYOUT:

- Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the west corner of the location. The flare pit will be located on the north side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil east of Corner #5. The stockpiled location topsoil will be stored between corner #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the east.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. Plans for Reclamation of the Surface:

A. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the UDOGM will attach the appropriated surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

State of Utah

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities.

- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Utah State lands after the conclusion of drilling operations or at any other time without Utah State authorization. However, if Utah State authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (Utah State does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

13. LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner EOG Resources, Inc. P.O. Box 1815 Vernal, Ut 84078 (435) 781-9111

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc. P.O. Box 250 Big Piney, WY 83113 307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filling of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 60-16 Well, located in the NENE, of Section 16, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

March 16, 2007

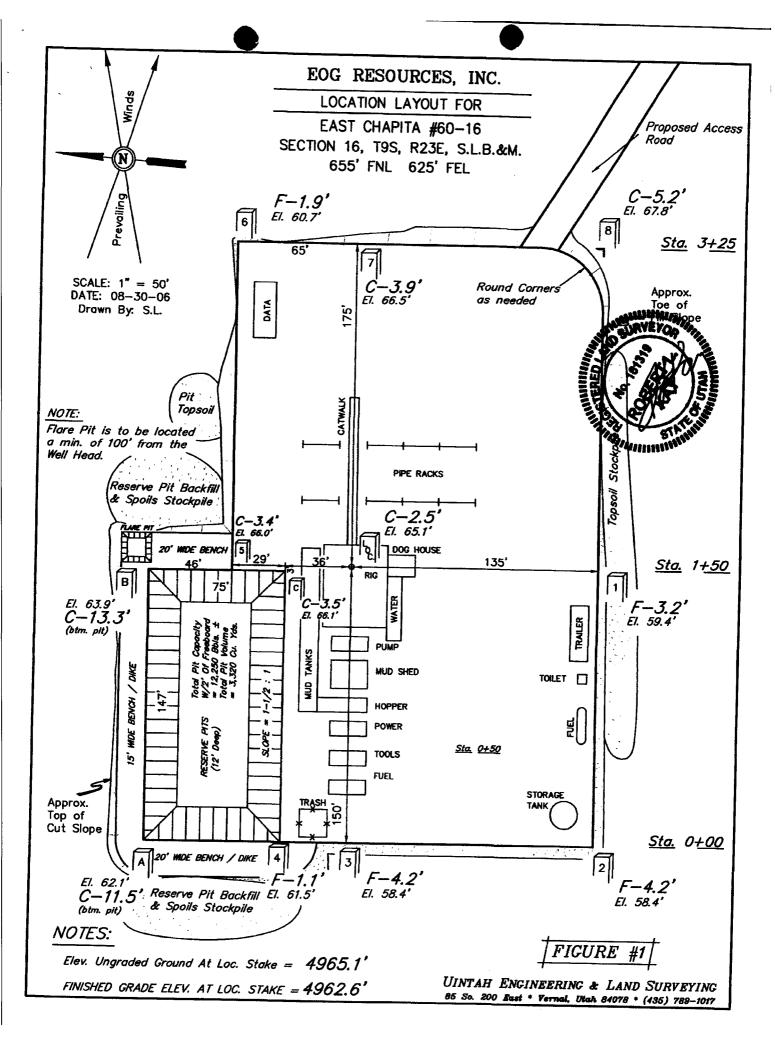
Date

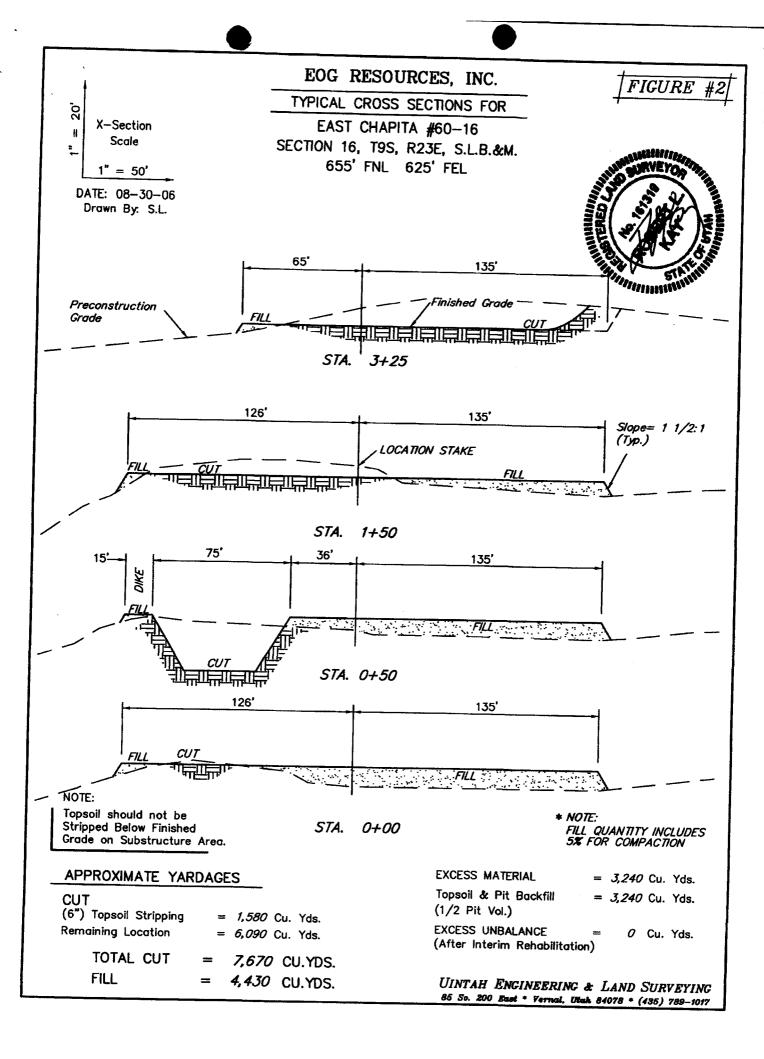
Kaylene R. Gardner, Sr. Regulatory Assistant

EOG RESOURCES, INC. EAST CHAPITA #60-16 SECTION 16, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 6.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #48-16 TO THE NORTHWEST; FOLLOW ROAD **FLAGS** NORTHWESTERLY, $\mathbf{I}\mathbf{N}$ **THEN EASTERLY** APPROXIMATELY 0.35 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.35 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.3 MILES.





EOG RESOURCES, INC.

EAST CHAPITA #60-16

LOCATED IN UINTAH COUNTY, UTAH SECTION 16, T9S, R23E, S.L.B.&M.

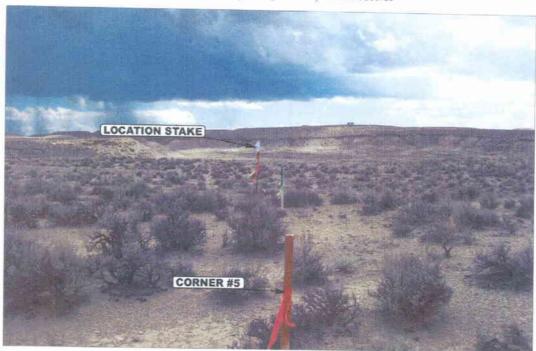
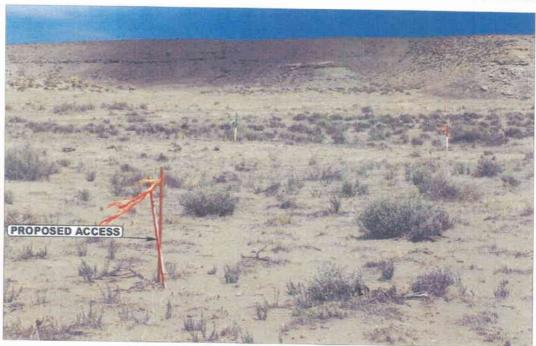


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

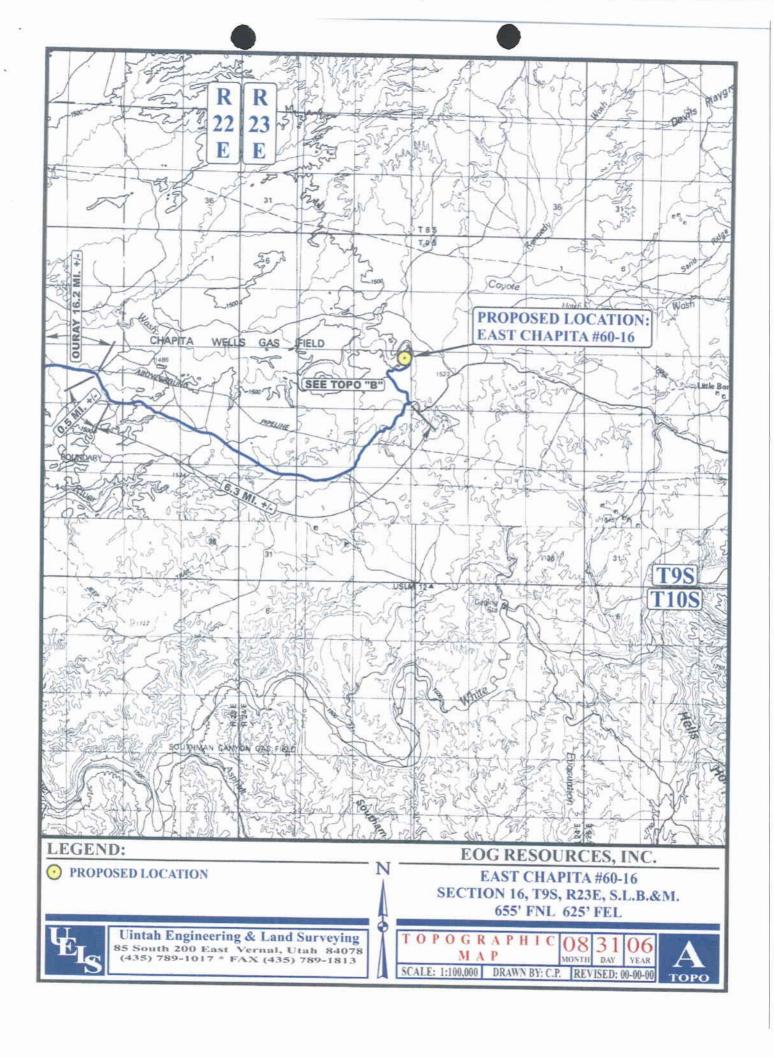


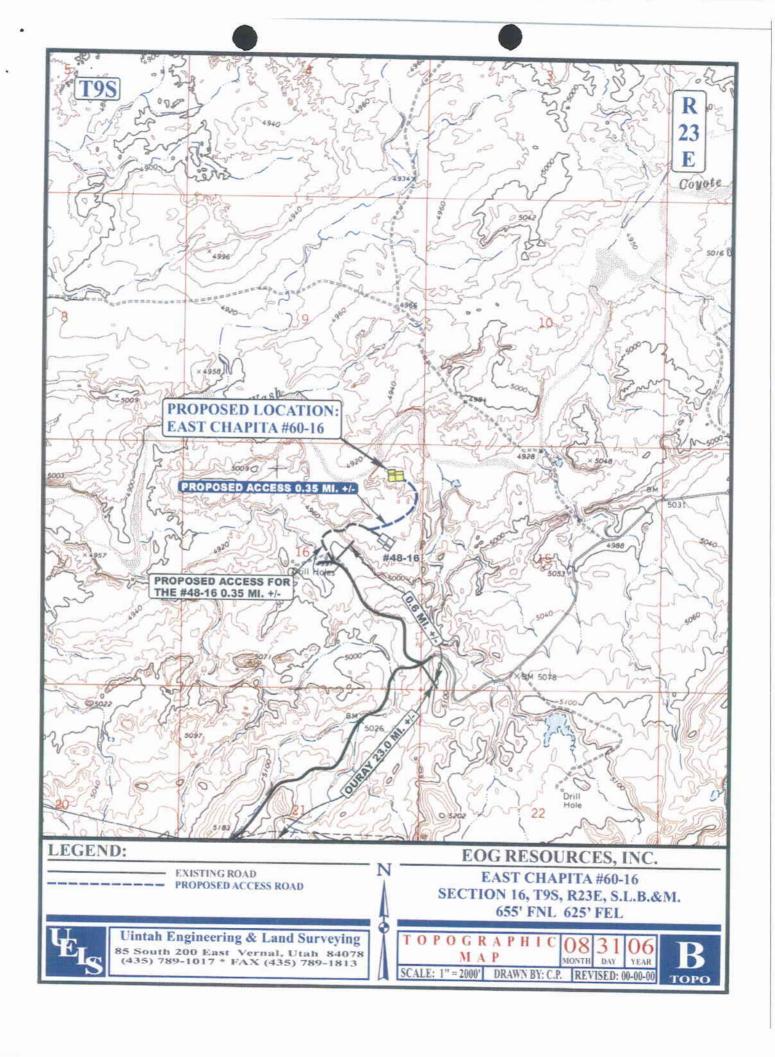
PHOTO; VIEW FROM BEGINNING OF PROPOSED ACCESS

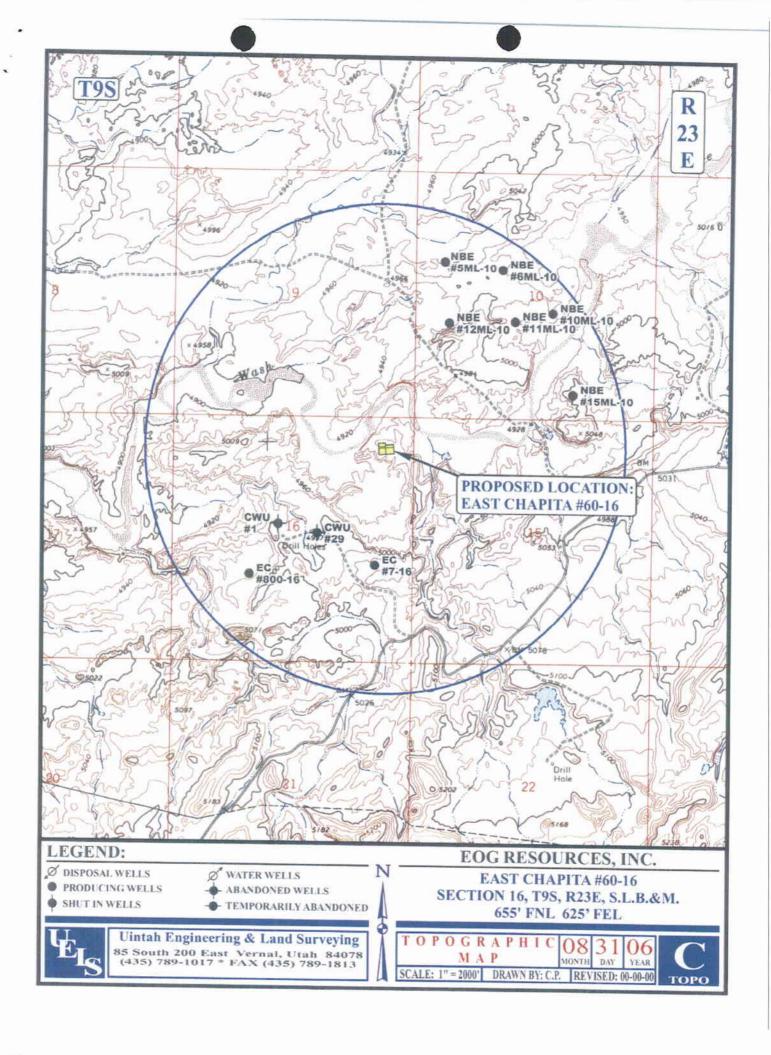
CAMERA ANGLE: NORTHEASTERLY

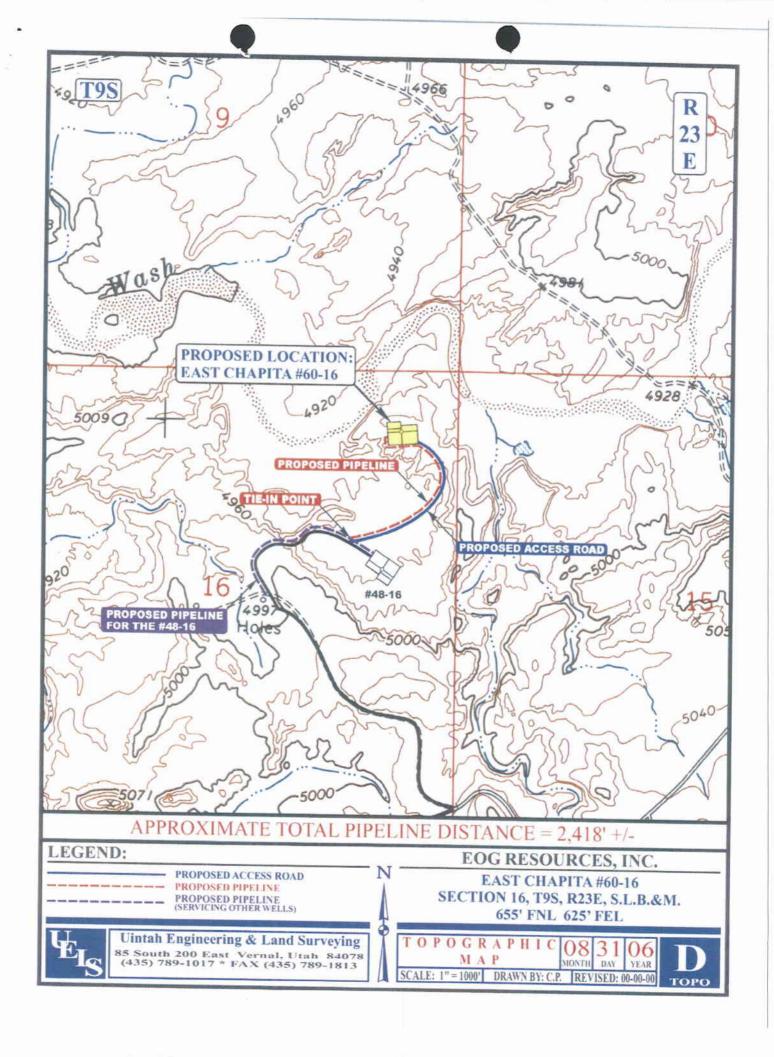


LOCATION	PHOTOS	08 MONTH	31 DAY	06 YEAR	РНОТО
TAKEN BY: G.S.	DRAWN BY: C.	P. REV	ISED:	00-00-00	

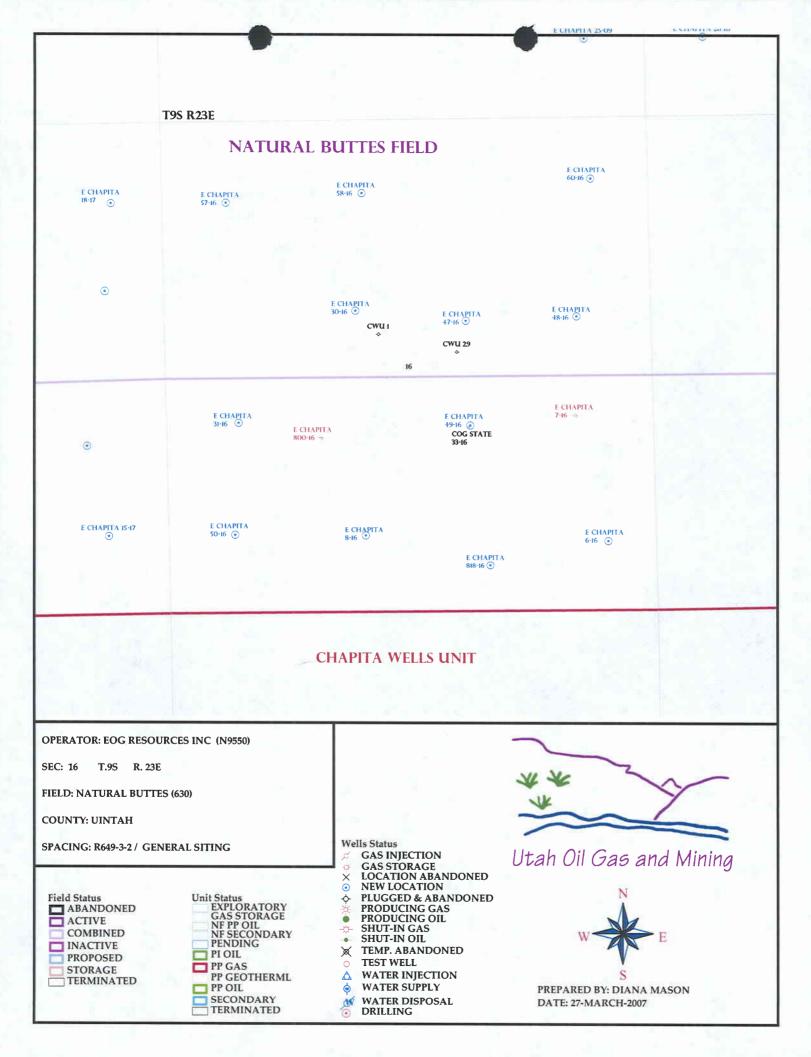








APD RECEIVED: 03/19/2007		API NO. ASSIG	NED: 43-04	7-39150	
WELL NAME: E CHAPITA 60-16 OPERATOR: EOG RESOURCES INC (N9550) CONTACT: KAYLENE GARDNER	PHONE NUMBER:	PHONE NUMBER: 435-781-9111			
PROPOSED LOCATION:		INSPECT LOCATN	BY: /	/	
NENE 16 090S 230E SURFACE: 0655 FNL 0625 FEL		Tech Review	Initials	Date	
BOTTOM: 0655 FNL 0625 FEL		Engineering	DKO	4/19/07	
COUNTY: UINTAH LATITUDE: 40.04144 LONGITUDE: -109.3240		Geology			
UTM SURF EASTINGS: 642982 NORTHINGS: 44334	Surface				
LEASE TYPE: 3 - State LEASE NUMBER: ML-47045 SURFACE OWNER: 3 - State		PROPOSED FORMAT		NVD	
Plat Bond: Fed[] Ind[] Sta[] Fee[] (No. 6196017) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-1501) RDCC Review (Y/N) (Date:) Fee Surf Agreement (Y/N) Intent to Commingle (Y/N) (Wasatch, MesaVorde)	LOCATION AND SITING: R649-2-3. Unit:				
STIPULATIONS: 1 Spacing Start 2 - Commerce 3 - STACE	SP	OF BASIS			





Statement of Basis

3/26/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No

API WellNo

Status

Well Type GW

Surf Ownr S

CBM

293

43-047-39150-00-00

Surface Owner-APD

No

Operator

EOG RESOURCES INC

Well Name E CHAPITA 60-16

Unit

Type of Work

Field Location

UNDESIGNATED NENE 16 9S 23E S

655 FNL 625 FEL

GPS Coord (UTM) 642982E 4433493N

Geologic Statement of Basis

EOG proposes to set 45 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at approximately 1,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Brad Hill **APD** Evaluator 3/26/2007 Date / Time

Surface Statement of Basis

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.35 miles of the location where a new road will be constructed.

The proposed East Chapita 60-16 gas well is on a narrow broken ridge top between two forks of Coyote Wash. The main wash is about ¼ mile to the northeast. The ridge breaks off moderately steep on the southwest and northeast sides. No drainage concerns exist.

Both the surface and minerals for this location are owned by SITLA. Jim Davis of SITLA attended the pre-site visit and had no concerns regarding the proposed location.

Ben Williams represented the Utah Division of Wildlife Resources. Mr. Williams stated the area is classified as critical yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. No other wildlife is expected to be affected. He gave Byron Tolman, representing EOG Resources, and Mr. Davis a copy of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

The location appears to be the best site for constructing and operating a well in the immediate area.

Floyd Bartlett **Onsite Evaluator** 3/6/2007

Date / Time

Application for Permit to Drill Statement of Basis

3/26/2007

Utah Division of Oil, Gas and Mining

Page 2

Conditions of Approval / Application for Permit to Drill

Category

Condition

Pits

Pits A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be

properly installed and maintained in the reserve pit.



Utah Division of Oil, Gas and Mining

Operator

EOG RESOURCES INC

Well Name

E CHAPITA 60-16

API Number

43-047-39150-0

APD No 293

98

Field/Unit UNDESIGNATED

Location: 1/4.1/4 NENE

Sec 16 Tw Rng 23E

655 FNL 625 FEL

GPS Coord (UTM) 642978

4433496

Surface Owner

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Byron Tolman (Agent for EOG Resources) and Ben Williams (UDWR).

Regional/Local Setting & Topography

The general area is within the Coyote Wash Drainage. This drainage is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 6 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Covote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.35 miles of the location where a new road will be constructed.

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Both the surface and minerals for this location are owned by SITLA. Jim Davis of SITLA attended the pre-site visit and had no concerns regarding the proposed location.

Surface Use Plan

Current Surface Use

Grazing

Recreational

Wildlfe Habitat

New Road

Miles

Well Pad

Src Const Material

Surface Formation

0.35

Width 261

Length 325

Onsite

UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Open big sagebrush type. Halogeton, shadscale, cheatgrass and curly mesquite are present.

Antelope, coyote, small mammals and birds. Winter domestic sheep grazing

Soil Type and Characteristics

Rocky sandy loam with some bedrock in location.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run?

Paleo Potental Observed? Y

Cultural Survey Run? Y

Cultural Resources? N

Reserve Pit

Site-Specific Factors		Site I	Ranking		
Distance to Groundwater (feet)	>200		0		
Distance to Surface Water (feet)	>1000		0		
Dist. Nearest Municipal Well (ft)	>5280		0		
Distance to Other Wells (feet)	300 to 1320		10		
Native Soil Type	Mod permeability		10		
Fluid Type	Fresh Water		5		
Drill Cuttings	Normal Rock		0		
Annual Precipitation (inches)	<10		0		
Affected Populations	<10		0		
Presence Nearby Utility Conduits	Not Present		0		
		Final Score	25	1	Sensitivity Level

Characteristics / Requirements

The reserve pit is proposed on the southwest portion of the location within an area of cut. Dimensions are 75' x 147' x 12' deep. A liner is required. EOG customarily uses a 16 mil liner with an appropriate thickness of sub-felt to cushion the liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

ATV's were used to access the site.

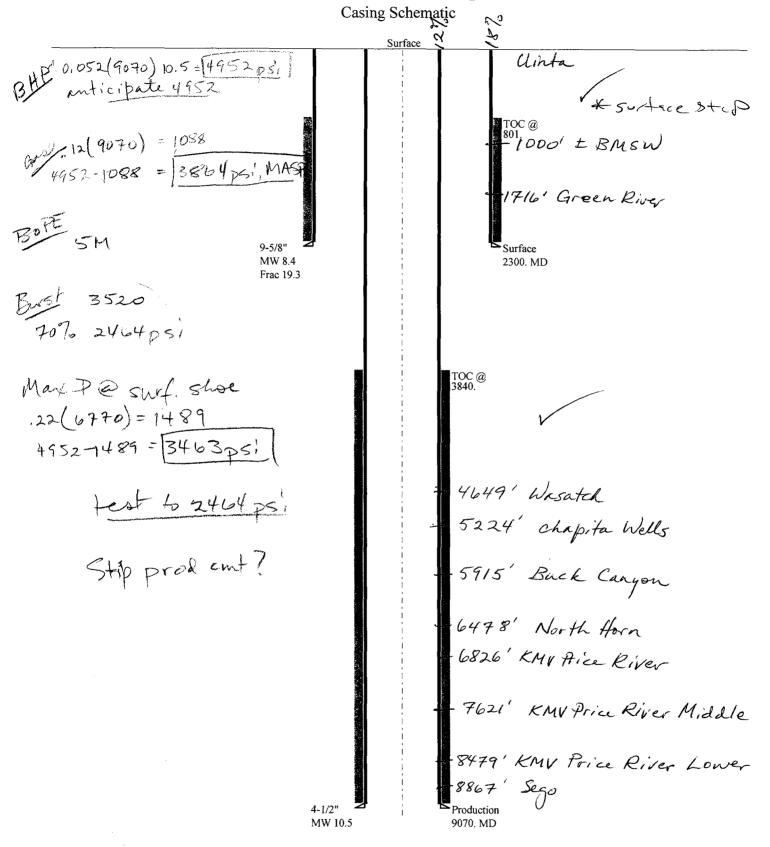
Floyd Bartlett

3/6/2007

Evaluator

Date / Time

2007-04 EOG E Chapita 69-16



Well name:

2007-04 EOG E Chapita 60-16

Operator:

EOG Resources Inc.

String type:

Surface

Project ID:

Location:

Uintah County 10

43-047-39150

Design parameters:

Collapse

Mud weight:

8.400 ppg Design is based on evacuated pipe.

Minimum design factors: Collapse:

Design factor

1.125

H2S considered? Surface temperature:

Environment:

No 75 °F 107 °F

Bottom hole temperature: Temperature gradient:

1.40 °F/100ft

Minimum section length:

Non-directional string.

290 ft

Burst:

Design factor

1.00

Cement top:

801 ft

Burst

Max anticipated surface

No backup mud specified.

pressure:

2,024 psi

Internal gradient: Calculated BHP

0.120 psi/ft 2,300 psi

Tension:

8 Round STC: 8 Round LTC:

Buttress: Premium:

Body yield: 1.50 (B)

1.80 (J) 1.60 (J)

1.50 (J)

1.80 (J)

Tension is based on buoyed weight. Neutral point: 2,014 ft

Re subsequent strings: Next setting depth: Next mud weight:

9.070 ft 10.500 ppg 4,947 psi

Next setting BHP: Fracture mud wt: Fracture depth: Injection pressure:

19.250 ppg 2,300 ft 2,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (Ibs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2300	9.625	36.00	J-55	ST&C	2300	2300	8.796	998.2
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1004	2020	2.013	2300	3520	1.53	72	394	5.43 J

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Minerals

Phone: 801-538-5357 FAX: 801-359-3940

Date: April 11,2007 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

2007-04 EOG E Chapita 60-16

Operator:

EOG Resources Inc.

String type:

Draduction

Location:

Production

Uintah County

Project ID:

43-047-39150

Design parameters:

Collapse

Mud weight:

10.500 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.

1.125

Environment: H2S considered?

H2S considered? Surface temperature: No 75 °F

Bottom hole temperature: 202 °F
Temperature gradient: 1,40 °F/100ft

Minimum section length: 1,500 ft

Burst:

Design factor

1.00

1.80 (J)

Cement top:

3,840 ft

Burst

Max anticipated surface

pressure:

2,952 psi

Internal gradient: Calculated BHP 0.220 psi/ft 4,947 psi

No backup mud specified.

Tension:

8 Round STC:

8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)

Body yield:

1.50 (B)

Tension is based on buoyed weight.

Neutral point: 7,646 ft

Non-directional string.

Run Seq	Segment Length	Size	Nominal Weight	Grade	End Finish	True Vert Depth	Measured Depth	Drift Diameter	Internal Capacity
1	(ft) 9070	(in) 4.5	(lbs/ft) 11.60	N-80	LT&C	(ft) 9070	(ft) 9070	(in) 3.875	(ft³) 791.5
Run	Collapse	Collapse	Collapse	Burst	Burst	Burst	Tension	Tension	Tension
Seq	Load (psi)	Strength (psi)	Design Factor	Load (psi)	Strength (psi)	Design Factor	Load (Kips)	Strength (Kips)	Design Factor
1	4947	6350	1.284	4947	``7780	1.57	`89´	223	2.51 J

Prepared

Helen Sadik-Macdonald

by: Div of Oil, Gas & Minerals

Phone: 801-538-5357

FAX: 801-359-3940

Date: April 11,2007 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9070 ft, a mud weight of 10.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

From:

<Kaylene_Gardner@eogresources.com>
"Dustin Doucet" <dustindoucet@utah.gov>

To: Date:

4/18/2007 5:54 PM

Subject:

Re: Commingling APD..more

Attachments:

ECW 60-16.doc; ECW 58-16.doc; ECW 57-16.doc

The commingling information is within the Drilling plan - I attached a copy for your reference.

Kaylene Gardner EOG/Vernal 435-781-9111 Office

"Dustin Doucet" <dustindoucet@utah.gov> 04/18/2007 04:46 PM

To <Kaylene_Gardner@eogresources.com> cc

Subject Commingling APD..more

Kaylene,

I need the same info mentioned below on a couple more APD's... the E Chapita 57-16 and 58-16. Thanks.

Dustin

Dustin K. Doucet Petroleum Engineer Utah Division of Oil, Gas and Mining Oil and Gas Program 1594 West North Temple, Suite 1210 Salt Lake City, UT 84116

Phone: (801) 538-5281 fax: (801) 359-3940

email: dustindoucet@utah.gov

>>> Dustin Doucet 4/18/2007 3:35 PM >>> Kaylene,

I was just reviewing the E Chapita 60-16 well and had everything except the commingling request (i.e. had the plat and affidavit, but nothing requesting commingling and how you propose to do that). If you could send that portion to me I will include it in the APD and sign off on it. thanks.

Dustin

Dustin K. Doucet
Petroleum Engineer
Utah Division of Oil, Gas and Mining
Oil and Gas Program
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

Phone: (801) 538-5281 fax: (801) 359-3940

email: dustindoucet@utah.gov

east chapita 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,716		Shale	
Wasatch	4,649	Primary	Sandstone	Gas
Chapita Wells	5,224	Primary	Sandstone	Gas
Buck Canyon	5,915	Primary	Sandstone	Gas
North Horn	6,478	Primary	Sandstone	Gas
KMV Price River	6,826	Primary	Sandstone	Gas
KMV Price River Middle	7,621	Primary	Sandstone	Gas
KMV Price River Lower	8,479	Primary	Sandstone	Gas
Sego	8,867		Sandstone	
TD	9,070			

Estimated TD: 9,070' or 200'± below Sego top

Anticipated BHP: 4,952 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch, and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch, and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

east chapita 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

4. CASING PROGRAM:

CASING	<u>Hole</u> Size	<u>Length</u>	Size	WEIGHT	<u>Grade</u>	Thread	Rating Collapse	<u>Factor</u> <u>Burst</u>	<u>Tensile</u>
Conductor	17 ½"	0 – 45'	13 %"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0-2,300'							
		KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface - TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: $12-\frac{1}{4}$ " surface hole will be drilled to a total depth of $200^{\circ}\pm$ below the base of the Green River lost circulation zone and cased w/9- $\frac{5}{6}$ " as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

east chapita 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. **CEMENT PROGRAM:**

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3

½ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCI₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2

gps water.

Top Out: As necessary with Class "G" cement with 2% CaCI₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18

 $ft^3/sk.$, 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

east chapita 60-16 NE/NE, SEC. 16, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

Production Hole Procedure (2300'± - TD)

Lead:

135 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail:

870 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. <u>HAZARDOUS CHEMICALS:</u>

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

From:

Ed Bonner

To:

Mason, Diana

Date:

4/23/2007 3:38 PM

Subject:

Well Clearance

CC:

Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Bill Barrett Corporation

Peters Point State 8-2D-13-16 (API 43 007 31280)

EnCana Oil & Gas (USA) Inc

Middle Mountain State 36-12-29-24 (API 43 037 31855)

EOG Resources, Inc

East Chapita 60-16 (API 43 047 39150)

East Chapita 57-16 (API 43 047 39151)

East Chapita 58-16 (API 43 047 39152)

Kerr McGee Oil & Gas Onshore LP

NBU 1021-13N (API 43 047 39107)

NBU 1021-13H (API 43 047 39108)

NBU 1021-16D (API 43 047 39109)

NBU 1022-19P (API 43 047 39139)

If you have any questions regarding this matter please give me a call.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

April 24, 2007

EOG Resources, Inc 1060 East Highway 40 Vernal, UT 84078

Re: East Chapita 60-16 Well, 655' FNL, 625' FEL, NE NE, Sec. 16, T. 9 South,

R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39150.

Sincerely,

Gil Hunt

Associate Director

Nil That

pab Enclosures

cc: Uintah County Assessor

SITLA

Operator:	EOG Resources, Inc	
Well Name & Number	East Chapita 60-16	
API Number:	43-047-39150	
Lease:	ML-47045	

Location: NE NE

Sec. 16

T. 9 South

R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

• Dan Jarvis at:

(801) 538-5338 office

(801) 942-0873 home

• Carol Daniels at:

(801) 538-5284 office

• Dustin Doucet at:

(801) 538-5281 office

(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Page 2 43-047-39150 April 24, 2007

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

			ENTITY ACTIO					
perator:	EOG F	Resources, Inc.		Ope	rator Ac	count Nu	ımber: <u>1</u>	9550
ddress:	600 17	th St., Suite 1000N					_	
	city De	enver						
	state C		zip 80202		P	hone Nu	ımber: ((303) 824-5526
W_ W 4								
Vell 1 API Ni	umber	Well	Name	QQ	Sec	Twp	Rng	County
	-39150	East Chapita 60-16		NENE 16 9S			23E	Uintah
Action	Code	Current Entity Number	New Entity Number	Spud Date				ity Assignmer Ifective Date
-	4	99999	16784	4/5/2008			4	1/34/08
Commer	nts: Wasa	atch/Mesaverde well					ć	_
Vell 2								
Vell 2 API No	umber	Well	Name	QQ	Sec	Twp	Rng	County
	umber	Weil	Name	QQ	Sec	Twp	Rng	County
API No		Well Current Entity Number	Name New Entity Number		Sec pud Da		Ent	County lity Assignment Effective Date
API No	Code	Current Entity	New Entity				Ent	ity Assignmer
API No	Code	Current Entity Number	New Entity				Ent	ity Assignmer
API No	n Code	Current Entity Number	New Entity Number	s	pud Da	te	Ent E	ity Assignmer Effective Date
API No Action Commen	n Code	Current Entity Number	New Entity Number	QQ	pud Da	Twp	Ent E	ity Assignmer Effective Date

B - Add new well to existing entity (group or unit well)

- Re-assign well from one existing entity to another existing entity

- Re-assign well from one existing entity to a new entity

E - Other (Explain in 'comments' section)

RECEIVED

Name (Please Print)

Regulatory Assistant

4/7/2008

Date

Signature

Title

(5/2000)

APR 07 2008

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Cor	mpany:	E	OG RES	<u>OURC</u>	ES INC			
Well Name:		E	СНАРІТ	'A 60-1	6	,		
Api No: 43-047-39		50		_Lease Type:		STA	ГЕ	
Section 16	Township	09S	_Range_	23E	County	UINT	CAH	
Drilling Cor	ntractor <u>CI</u>	RAIG'S	ROUST	ABOU'	Γ SERV	_RIG#_	RATHOLE	
SPUDDE	D:							
	Date	04/05	/08				•	
	Time	11:30	AM					
	How	DRY						
Drilling wi	ill Commend	ce:						
Reported by		JEF	RRY BAF	RNES				
Telephone #		(435	5) 828-17	20				
Date	04/07/08		Signed	CH	[D			

FORM 9

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: **SUNDRY NOTICES AND REPORTS ON WELLS** 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL 8. WELL NAME and NUMBER: OIL WELL GAS WELL 🗸 OTHER East Chapita 60-16 2. NAME OF OPERATOR: 9. API NUMBER: 43-047-39150 EOG Resources, Inc. 3. ADDRESS OF OPERATOR: PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde 600 17th St., Suite 1000N STATE CO ZIP 80202 (303) 824-5526 Denver 4. LOCATION OF WELL FOOTAGES AT SURFACE: 655' FNL & 625' FEL 40.041408 LAT 109.324756 LON COUNTY: Uintah QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE STATE: **UTAH** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION REPERFORATE CURRENT FORMATION ACIDIZE DEEPEN NOTICE OF INTENT (Submit in Duplicate) ALTER CASING FRACTURE TREAT SIDETRACK TO REPAIR WELL Approximate date work will start: NEW CONSTRUCTION TEMPORARILY ABANDON CASING REPAIR CHANGE TO PREVIOUS PLANS OPERATOR CHANGE TUBING REPAIR VENT OR FLARE CHANGE TUBING PLUG AND ABANDON

PLUG BACK

PRODUCTION (START/RESUME)

RECOMPLETE - DIFFERENT FORMATION

RECLAMATION OF WELL SITE

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

COMMINGLE PRODUCING FORMATIONS

CHANGE WELL NAME

CHANGE WELL STATUS

CONVERT WELL TYPE

The referenced well spud on 4/5/2008.

SUBSEQUENT REPORT

Date of work completion:

(Submit Original Form Only)

NAME (PLEASE PRINT) Mary A. Maestas	_{тітье} Regulatory Assistant	_
SIGNATURE WAYY A. Mayla	DATE 4/7/2008	
		_

(This space for State use only)

RECEIVED

WATER DISPOSAL

WATER SHUT-OFF

OTHER: Well spud

APR 10 2008

	SIATE OF UTAH					FORM 9
	ENT OF NATURAL RESOUR OF OIL, GAS AND MIN				1	SE DESIGNATION AND SERIAL NUMBER: 47045
SUNDRY NOTIC	ES AND REPORTS	ON	WEL	LS	6. IF IN	DIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, signification drill horizontal laterals. Use APF	cantly deepen existing wells below curr PLICATION FOR PERMIT TO DRILL to				7. UNI	or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL G	AS WELL 🚺 OTHER_					L NAME and NUMBER: t Chapita 60-16
2. NAME OF OPERATOR:					9. API	NUMBER:
EOG Resources, Inc. 3. ADDRESS OF OPERATOR:				DUONE NUMBER)47-39150
600 17th St., Suite 1000N CITY Denver	STATE CO ZIP	80202	2	PHONE NUMBER: (303) 824-5526		LD AND POOL, OR WILDCAT: ural Buttes/Wasatch/Mesaverde
4. LOCATION OF WELL						
FOOTAGES AT SURFACE: 655' FNL & 625'	FEL 40.041408 LAT 1	109.3	24756 l	_ON	COUNT	y: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	: NENE 16 9S 2	3E	S		STATE	UTAH
11. CHECK APPROPRIAT	E BOXES TO INDICAT	E NA	TURE	OF NOTICE, REPO	RT, O	R OTHER DATA
TYPE OF SUBMISSION			T	PE OF ACTION		
ACIDIZ	Æ		DEEPEN		П	REPERFORATE CURRENT FORMATION
NOTICE OF INTENT (Submit in Duplicate)	CASING	F	FRACTURE	TREAT		SIDETRACK TO REPAIR WELL
Approximate date work will start: CASIN	G REPAIR		NEW CONS	TRUCTION		TEMPORARILY ABANDON
CHANG	GE TO PREVIOUS PLANS		OPERATOR	CHANGE		TUBING REPAIR
	GE TUBING		PLUG AND /	ABANDON		VENT OR FLARE
SUBSEQUENT REPORT (Submit Original Form Only)	GE WELL NAME	F	PLUG BACK			WATER DISPOSAL
	GE WELL STATUS	√ F	PRODUCTIO	ON (START/RESUME)		WATER SHUT-OFF
·	IINGLE PRODUCING FORMATIONS	F	RECLAMAT	ION OF WELL SITE		OTHER:
CONVI	ERT WELL TYPE		RECOMPLE	TE - DIFFERENT FORMATION		
12. DESCRIBE PROPOSED OR COMPLETED OF The referenced well was turned to sompletion operations performed or	sales on 6/12/2008. Plea					ary report for drilling and
NAME (PLEASE PRINT) Mary A. Maestas			TITI	Regulatory Assis	stant	

(This space for State use only)

SIGNATURE

RECEIVED JUN 17 2008

DATE 6/16/2008

WELL CHRONOLOGY **REPORT**

Report Generated On: 06-16-2008

Well Name	ECW 060-16	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API#	43-047-39150	Well Class	COMP
County, State	UINTAH, UT	Spud Date	04-30-2008	Class Date	
Tax Credit	N	TVD / MD	9,070/ 9,070	Property #	059620
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	4,979/ 4,963				
Location	Section 16, T9S, R23E, I	NENE, 655 FNL & 625	FEL		

DRILL & COMPLETE

Operator	EOG RESOL	RCES, INC	WI %	100.0	NRI %	6 81	.0
AFE No	304178		AFE Total	2,019,400	DHC	/ CWC	880,700/ 1,138,700
Rig Contr	TRUE	Rig Nam	e TRUE #31	Start Date	06-07-2007	Release Da	ate 05-06-2008
06-07-2007	Reported 1	By S	HARON CAUDILL				
DailyCosts: Da	rilling \$	0	Completi	on \$0	D	aily Total	\$0
Cum Costs: D	rilling \$	0	Completi	on \$0	V	Vell Total	\$0
MD	0 TVD	0	Progress 0	Days	0 MW	0.0	Visc 0.0
Formation:		PBTD:	0.0	Perf:		PKR Dept	h : 0.0

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs **Activity Description** 06:00

06:00 24.0 LOCATION DATA

655' FNL & 625' FEL (NE/NE) **SECTION 16, T9S, R23E** UINTAH COUNTY, UTAH

LAT 40.041408, LONG 109.324756 (NAD 27) LAT 40.041433, LONG 109.324078 (NAD 83)

Description

TRUE #31

OBJECTIVE: 9070' TD, MESAVERDE

DW/GAS

EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: ML-47045

ELEVATION: 4965.1' NAT GL, 4962.6' PREP GL (DUE TO ROUNDING THE PREP GL IS 4963'), 4979' KB (16')

EOG WI 100%, NRI 81%

03-17-2008 Reported By TERRY CSERE

DailyCosts: Drilling	\$38,000	Completion	\$0		Daily Total	\$38,000	
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000	
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc	0.0
Formation:	PBTD : 0.0	0	Perf:		PKR D	epth: 0.0	
Activity at Report Ti	me: LOCATION BUILD						
Start End	Hrs Activity Descr	ription					
06:00 06:00	24.0 START CONST	RUCTION OF LOCATIO	N.				******
03-18-2008 Re	eported By TE	RRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000	
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc	0.0
Formation:	PBTD : 0.0	0	Perf:		PKR D	epth: 0.0	
Activity at Report Ti	me: BUILD LOCATION						
Start End	Hrs Activity Descr	-					
06:00 06:00	24.0 LOCATION IS 1	10% COMPLETE.					
03-19-2008 Re	eported By TE	RRY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000	
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	- F J	RRY CSERE					
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Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000	2.2
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03-22-2008 R	eported By TE	RRY CSERE					

DailyCosts: Drilling	\$0	Completion	\$0 \$0		Daily Total	\$0	
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03-26-2008 Re	eported By TER	RY CSERE					
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0	
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Cum Costs: Drilling	\$38,000			pletion	\$0			Total	\$38,000	
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03-28-2008 Re	eported By	TH	ERRY CSERE							
DailyCosts: Drilling	\$0		Com	pletion	\$0		Dail	y Total	\$0	
Cum Costs: Drilling	\$38,000		Com	pletion	\$0		Well	Total	\$38,000	
MD 0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PB	TD : 0	.0		Perf:			PKR De	pth: 0.0	
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Start End 06:00 06:00 04-01-2008 Ro DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 04-02-2008 Ro	Hrs Activit 24.0 LOCAT eported By \$0 \$38,000 TVD PB me: BUILD LOC. Hrs Activit 24.0 PUSHII eported By	ty Description HA THE O STD: 0 ATION ty Description NG ON	AS BEEN SHOT ERRY CSERE Com Progress .0 cription LOCATION AN ERRY CSERE Com	opletion 0 D WILL S	\$0 \$0 Days Perf:	0	Well MW AD. Dail	y Total Total 0.0 PKR De	\$0 \$38,000 Visc pth : 0.0	0.0
Start End 06:00 06:00 04-01-2008 Re DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 04-02-2008 Re DailyCosts: Drilling	Hrs Activit 24.0 LOCAT eported By \$0 \$38,000 TVD PB me: BUILD LOC. Hrs Activit 24.0 PUSHII eported By \$0	ty Description HA THE O STD: 0 ATION ty Description NG ON	AS BEEN SHOT ERRY CSERE Com Progress .0 cription LOCATION AN ERRY CSERE Com	apletion 0 D WILL S	\$0 \$0 Days Perf:	0	Well MW AD. Dail	y Total Total 0.0 PKR De	\$0 \$38,000 Visc pth : 0.0	0.0
Start End 06:00 06:00 04-01-2008 Ro DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Ti Start End 06:00 06:00 04-02-2008 Ro DailyCosts: Drilling Cum Costs: Drilling	Hrs Activite 24.0 LOCAT sported By \$0 \$38,000 TVD PB me: BUILD LOC. Hrs Activite 24.0 PUSHII sported By \$0 \$38,000 TVD	ty Description HA TH 0 STD: 0 ATION ty Description Ti	AS BEEN SHOT ERRY CSERE Com Progress .0 cription LOCATION AN ERRY CSERE Com Com Progress	apletion 0 D WILL S apletion apletion apletion	\$0 \$0 Days Perf:	0 On of ROA	Well MW AD. Dail Well	y Total Total 0.0 PKR De Y Total Total	\$0 \$38,000 Visc pth : 0.0	
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DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000			
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc	0.0		
Formation:	PBTD : 0	0.0	Perf:		PKR D	epth: 0.0			
Activity at Report Ti	me: BUILD LOCATION								
Start End	Hrs Activity Desc	ription							
06:00 06:00	24.0 LINE MONDA	Υ.							
04-04-2008 Re	eported By Ti	ERRY CSERE							
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000			
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc	0.0		
Formation:	PBTD : 0	1.0	Perf:		PKR D	e pth: 0.0			
Activity at Report Ti	me: BUILD LOCATION								
Start End	Hrs Activity Desc	ription							
06:00 06:00	24.0 LINE MONDA	Υ.							
04-05-2008 Re	eported By TE	ERRY CSERE							
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000			
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc	0.0		
Formation:	PBTD : 0	.0	Perf:		PKR D	epth: 0.0			
Activity at Report Ti	me: BUILD LOCATION								
Start End	Hrs Activity Desc	ription							
06:00 06:00	24.0 LINE TOMORI	ROW.							
04-07-2008 Re	eported By JE	RRY BARNES							
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000			
MD 60	TVD 60	Progress 0	Days	0	MW 0.0	Visc	0.0		
Formation:	PBTD : 0	.0	Perf:		PKR D	e pth: 0.0			
Activity at Report Ti	me: WO/AIR RIG								
Start End	Hrs Activity Desc	ription							
06:00 06:00	CEMENT TO S	STABOUT SERVICE SPUI SURFACE WITH READY E W/BLM OF THE SPUD	MIX. JERRY	BARNES NO					
04-08-2008 Re	eported By JE	ERRY BARNES			· · · · · · · · · · · · · · · · · · ·				
DailyCosts: Drilling	\$O	Completion	\$0		Daily Total	\$0			
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000			
MD 60	TVD 60	Progress 0	Days	0	MW 0.0	Visc	0.0		
Formation :	PBTD : 0		Perf:			epth: 0.0			
Activity at Report Time: BUILD LOCATION/WO AIR RIG									
Start End	Hrs Activity Desc								
06:00 06:00	24.0 LINE TODAY.								
	× •	e er ver e e							

04-09-2008	Report	ed By	TERRY CSERE							
DailyCosts: Dril	ling	\$0	Co	mpletion	\$0		Daily T	'otal	\$0	
Cum Costs: Dri	lling	\$38,000	Co	mpletion	\$0		Well To	otal	\$38,000	
MD	60 TV	D 60	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		PBTI	0.0		Perf:			PKR Dep	oth: 0.0	
Activity at Repo	rt Time: \	WO AIR RIG								
Start End	Hr	s Activity I	Description							
06:00 06	:00	24.0 LOCATIO	N COMPLETE.							
04-24-2008	Report	ed By	JERRY BARNE	S						
DailyCosts: Dri	lling	\$209,128	Co	mpletion	\$0		Daily T	otal	\$209,128	
Cum Costs: Dri	lling	\$247,128	Co	mpletion	\$0		Well To	otal	\$247,128	
MD 2,	475 TV	D 2,4	75 Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:		PBTI	0.0		Perf:			PKR Dep	pth: 0.0	
Activity at Repo	rt Time: `	WORT								

Start **Activity Description** End Hrs

06:00 06:00 24.0 MIRU ASPEN DRILLING RIG # 14 ON 4/15/2008. DRILLED 12-1/4" HOLE TO 2506' GL. RAN 58 JTS (2459.28') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH TOPCO GUIDE SHOE AND FLOAT COLLAR, 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2475' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. PRESSURE TESTED LINES AND CEMENT VALVE TO 2500 PSIG. PUMPED 155 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/ 0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/ YIELD OF 4.10 CF/SX.

TAILED IN W/ 200 SX (42 BBLS) OF PREMIUM CEMENT W/ 2 % CACL2. MIXED TAIL CEMENT TO 15.6 W/ YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/ 186.5 BBLS FRESH WATER. BUMPED PLUG W/ 850# @ 6:30 PM, 4/19/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 135 BBLS INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE, HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/ 2 % CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/ 2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

ASPEN DRILLING TOOK SURVEYS WHILE DRILLING @ 517'-1.0°, 993'-0.75°, 1507' -0.80°, 2117'-1.0°.

CONDUCTOR LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 90.0. 9 5/8 CASING LEVEL RECORD: PS= 90.0 OPS= 89.9 VDS= 89.7 MS= 89.7.

LESTER FARNSWORTH NOTIFIED ROOSEVELT OFFICE W/ UDOGM OF THE SURFACE CASING & CEMENT JOB ON 4/16/2008 @ 1:00 P.M.

04-30-2008

Reported By

PAT CLARK

DailyCost	s: Drilling	\$33,470		Con	pletion	\$350		Daily	Total	\$33,820	
Cum Cos	ts: Drilling	\$280,598		Con	pletion	\$350		Well	Total	\$280,948	
MD	2,475	TVD	2,475	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation	n:	PE	BTD : 0.	0		Perf:			PKR Dep	oth: 0.0	
Activity a	t Report Ti	me: TESTING B	OPE								
Start	End	Hrs Activi	ty Desci	ription							
06:00	02:00	20.0 MOVE	RIG 1.1	MILES TO LO	CATION.	7 BED TRUC	CKS, 2 HAUL	TRUCKS, I	CRANE, 2 F	ORKLIFTS.	
		RELEA	ASE CRA	NE @ 15:00, T	RUCKS @	15:30.					
		DERRI	CK IN T	HE AIR @ 16:0	00. 5 HANI	DS, 33 HOU	RS.				
02:00	03:00	1.0 NU BC)P. X/O H	ICR VALVE. RI	G ON DA	YWORK @ (02:00.				
03:00	06:00	5000 P: 10 MIN	SI FOR 1 NUTES.	0 MINUTES.	TESTED U JLAR PRE	PPER & LO	WER KELLY	COCKS, FL	OOR & INSI	D, KILL LINE V DE BOP TO 50 ED CASING TO	00 PSI FOR
		NO BL	M REP C	ON LOCATION	TO WITN	IESS TEST.					
		FULL (CREWS.	NO ACCIDEN	TS.						
		SAFET	Y MEET	'ING – RIGGIN	NG UP W/N	WESTROC T	RUCKING, T	EST BOP.			
		NOTIF	TED JAM	IIE SPARGER\	VERNAL	BLM\\BOP	TEST\\4-28-0	08\\08:00.			
05-01-20	08 Re	eported By	PA	T CLARK/JIM	LOUDER	MILK					
DailyCost	ts: Drilling	\$111,999		Con	pletion	\$0		Daily	Total	\$111,999	
Cum Cos	ts: Drilling	\$392,597		Con	pletion	\$350		Well	Total	\$392,947	
MD	4,250	TVD	4,250	Progress	1,775	Days	1	\mathbf{MW}	8.5	Visc	26.0
Formation: PBTD: 0.0 Perf: PKR Depth: 0.0								oth: 0.0			
Activity a	t Report Ti	me: DRILLING	@ 4250'								
Start	End	Hrs Activi	ty Descr	ription							
06:00	08:30	2.5 HSM, I	R/U WEA	THERFORD T	RS. PU BI	HA AND DP,	TAG CEMEN	NT @ 2366'.	R/D TRS.		
08:30	09:00	0.5 SLIP &	CUT 80	' DRILL LINE,	PRE-SPU	ID.					
09:00	10:30	1.5 DRILL	CEMEN	T/FLOAT EQU	JIP. FC @ 2	2430', FS @	2475'. DRILL	. 10' TO 2485	5'.		
10:30	11:00	0.5 DRILL	TO 2491	' & PERFORM	I 10.5 PPG	EMW TEST	, (270 PSI SPI	P). FUNCTION	ONED PIPE I	RAMS & HCR.	
11:00	13:30	2.5 DRILL	. 2491'-2	680', (12–18K	WOB / 65	RPM-65MT	R / 420 GPM)), 94.5 FPH.			
13:30	14:00	0.5 RIG SE	ERVICE /	SURVEY, 2 D	EGREES @	[®] 2604'.					
14:00	04:30	14.5 DRILL	. 2680'-4	150', (12–18K	WOB / 65	RPM-65MT	R / 420 GPM)), 101.4 FPH.			
04:30	05:00	0.5 WLS/	1.25 DEC	GREES @ 4075	".						
05:00	06:00	1.0 DRILL	. 4150'-4	250', (12–18K	WOB / 65	RPM-65MT	'R / 420 GPM)), 100 FPH. \	VIS 29 WT 8	.9.	
				/ NO INCIDEN AL. MUD LOG							
06:00	06:00	24.0 SPUD	7 7/8" HC	OLE ON 4/30/2	008 @ 11:0	O HRS.					
05-02-20	008 Re	eported By	JIN	M LOUDERMII	LK						
DailyCost	ts: Drilling	\$23,625		Con	npletion	\$0		Daily	Total	\$23,625	
Cum Cos	ts: Drilling	\$416,222		Con	npletion	\$350		Well	Total	\$416,572	
MD	6,150	TVD	6,150	Progress	1,900	Days	2	MW	8.6	Visc	27.0
Formatio	n:	PI	BTD: 0.	0		Perf:			PKR De _l	oth: 0.0	

Activity at Report Time: DRILLING @ 6150'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL 4250'-4400', (12-18K WOB / 65 RPM-65MTR / 420 GPM), 150 FPH.
07:00	07:30	0.5	RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM.
07:30	06:00	22.5	DRILL 4400'-6150', (15-22K WOB / 65 RPM-67MTR / 420 GPM), 77.8 FPH. VIS 29 WT 8.9.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: TEAM WORK & PPE / BOTH CREWS HELD BOP DRILLS. FUEL: 6325 GAL. USED 1309 GAL. MUD LOGIC UNMANNED UNIT, 2 DAYS.
05 02 200	0 D		D. WALOUDEDMILK

05-03-2008	Re	ported By	JI	M LOUDERMII	LK						
DailyCosts:	Drilling	\$21,8	341	Com	pletion	\$0		Daily '	Total	\$21,841	
Cum Costs:	Drilling	\$438	,064	Com	pletion	\$350		Well T	otal	\$438,414	
MD	6,850	TVD	6,850	Progress	700	Days	3	MW	8.5	Visc	28.0
Formation:			PBTD : (0.0		Perf:			PKR De	pth: 0.0	

Activity at Report Time: DRILLING @ 6850'

Start	End	Hrs Activity Description
06:00	13:30	7.5 DRILL 6150'-6540', (20-25K WOB / 65 RPM-67MTR / 420 GPM), 52 FPH.
13:30	14:00	0.5 RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM.
14:00	19:00	5.0 DRILL 6540'-6667', (20-25K WOB / 65 RPM-67MTR / 420 GPM), 25.4 FPH.
19:00	19:30	0.5 PUMP PILL / DROP SURVEY.
19:30	22:00	2.5 TRIP OUT WITH BIT #1 / LD RMR'S & CHANGE OUT MOTORS / FUNCTIONED BLIND RAMS / CORRECT JOINT COUNT.
22:00	01:30	3.5 TRIP IN WITH BIT #2.
01:30	02:30	1.0 REAM 6547'-6667', (PRECAUTIONARY).
02:30	06:00	3.5 DRILL 6667'-6850', (12-18K WOB / 65 RPM-63MTR / 420 GPM), 52.2 FPH. VIS 30 WT 9.8.
		CREWS: FULL / NO INCIDENTS REPORTED / HSM: TRIPPING & PINCH POINTS.
		FUEL: 5289 GAL. USED 1036 GAL. MUD LOGIC UNMANNED UNIT, 3 DAYS.

05-04-2008	Re	ported By		JIM LOUDERMI	LK		TO DO PROMISE COMMUNICATION				
DailyCosts: D	rilling	\$62,9	990	Con	npletion	\$0		Daily	Total	\$62,990	
Cum Costs: I	Prilling	\$501	,055	Con	npletion	\$350		Well 7	Total (\$501,405	
MD	8,115	TVD	8,115	Progress	1,265	Days	4	MW	9.9	Visc	33.0
Formation: PBTD			PBTD:	0.0		Perf:			PKR De _l	pth: 0.0	

Activity at Report Time: DRILLING @ 8115'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	DRILL 6850'-6875', (12-18K WOB / 65 RPM-63MTR / 420 GPM), 50 FPH.
06:30	07:00	0.5	RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM.
07:00	06:00	23.0	DRILL 6875'-', (12-18K WOB / 65 RPM-63MTR / 420 GPM), 53.9 FPH. VIS 33 WT 10.5.
			CREWS: FULL / NO INCIDENTS REPORTED / HSM: JOB FOCUS & RETURN TO WORK. BOTH CREWS HELD BOP DRILLS. FUEL: 3382 GAL. USED 1907 GAL. MUD LOGIC UNMANNED UNIT, 4 DAYS.

05-05-2008	Re	ported By		JIM LOUDERMII	LK						
DailyCosts:	Drilling	\$34.	.241	Con	pletion	\$0		Daily	Total	\$34,241	
Cum Costs:	Drilling	\$535	5,296	Con	pletion	\$350		Well '	Total	\$535,646	
MD	8,825	TVD	8,825	Progress	710	Days	5	MW	10.2	Visc	35.0
Formation :			PBTD:	: 0.0		Perf:			PKR Dep	oth: 0.0	

Activity at Report Time: DRILLING @ 8825'

Start End Hrs Activity Description 06:00 13:00 7.0 DRILL 8115' −8320', (16−18K WOB / 65 RPM−63MTR / 420 GPM), 29.3 FPH. 13:00 13:30 0.5 RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM. 13:30 06:00 16.5 DRILL 8320' −8825', (18−22K WOB / 65 RPM−63MTR / 420 GPM), 30.6 FPH. VIS 36 WT 10.7. CREWS: FULL / NO INCIDENTS REPORTED / HSM: TRAINING NEW EMPLOYEES. FUEL: 2305 GAL. USED 1517 GAL. MUD LOGIC UNMANNED UNIT, 5 DAYS. 05−06−2008 Reported By JIM LOUDERMILK Daily Total \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575,275 Completion \$350 Well Total \$575,625 MD 9,070 TVD 9,070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 PERF : PKR Depth : 0.0	38.0										
13:00 13:30 0.5 RIG SERVICE / FUNCTION PIPE RAMS & CHECK COM. 13:30 06:00 16.5 DRILL 8320' −8825', (18−22K WOB / 65 RPM−63MTR / 420 GPM), 30.6 FPH. VIS 36 WT 10.7. CREWS: FULL / NO INCIDENTS REPORTED / HSM: TRAINING NEW EMPLOYEES. FUEL: 2305 GAL. USED 1517 GAL. MUD LOGIC UNMANNED UNIT, 5 DAYS. 05−06−2008 Reported By JIM LOUDERMILK DailyCosts: Drilling \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575.275 Completion \$350 Well Total \$575,625 MD 9,070 TVD 9,070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 Perf: PKR Depth: 0.00	38.0										
CREWS: FULL / NO INCIDENTS REPORTED / HSM: TRAINING NEW EMPLOYEES. FUEL: 2305 GAL. USED 1517 GAL. MUD LOGIC UNMANNED UNIT, 5 DAYS. 05–06–2008 Reported By JIM LOUDERMILK Daily Total \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575,275 Completion \$350 Well Total \$575,625 MD 9.070 TVD 9.070 Progress 245 Days 6 MW 10.8 Visc Formation: PERT D: 0.0 PERT D: 0.0	38.0										
FUEL: 2305 GAL. USED 1517 GAL. MUD LOGIC UNMANNED UNIT, 5 DAYS. 05-06-2008 Reported By JIM LOUDERMILK Daily Costs: Drilling \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575,275 Completion \$350 Well Total \$575,625 MD 9,070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 Perf: PKR Depth: 0.0	38.0										
05-06-2008 Reported By JIM LOUDERMILK DailyCosts: Drilling \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575,275 Completion \$350 Well Total \$575,625 MD 9,070 TVD 9,070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 Perf: PKR Depth: 0.0	38.0										
Daily Costs: Drilling \$39,978 Completion \$0 Daily Total \$39,978 Cum Costs: Drilling \$575,275 Completion \$350 Well Total \$575,625 MD 9,070 TVD 9,070 Progress 245 Days 6 MW 10.8 Visc Formation: PERTD: 0.0 Perf: PKR Depth: 0.0	38.0										
Cum Costs: Drilling \$575.275 Completion \$350 Well Total \$575.625 MD 9.070 TVD 9.070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 Perf: PKR Depth: 0.0	38.0										
Cum Costs: Drilling \$575.275 Completion \$350 Well Total \$575.625 MD 9.070 TVD 9.070 Progress 245 Days 6 MW 10.8 Visc Formation: PBTD: 0.0 Perf: PKR Depth: 0.0	38.0										
Formation: PBTD: 0.0 Perf: PKR Depth: 0.0	38.0										
222234											
Activity at Report Time: LDDP.											
Activity at Report Time: LDDP.											
Start End Hrs Activity Description											
06:00 13:30 7.5 DRILL 8825'-8980', (18–22K WOB / 65 RPM–63MTR / 420 GPM), 20.6 FPH.											
13:30 14:30 1.0 MIX & PUMP PILL / DROP SURVEY.											
14:30 18:00 3.5 TRIP OUT WITH BIT #2 / FUNCTION BLIND RAMS. CHECK SURVEY, MISS RUN.	3.5 TRIP OUT WITH BIT #2 / FUNCTION BLIND RAMS. CHECK SURVEY, MISS RUN.										
18:00 21:00 3.0 CHANGE OUT MOTORS & PU BIT #3.	3.0 CHANGE OUT MOTORS & PU BIT #3.										
21:00 21:30 0.5 REAM 8930'-8980', (PRECAUTIONARY).	0.5 REAM 8930'-8980', (PRECAUTIONARY).										
21:30 01:30 4.0 DRILL 8980'-9070' TD, (18-22K WOB / 65 RPM-63MTR / 420 GPM), 22.5 FPH. REACHED TD 5/6/2008 @ 01:30 HRS. NOTIFIED GEORGE ROSS & ERIK KLING, VIA EMAIL. 01:30 02:30 1.0 CBU / HSM WITH WEATHERFORD TRS & RU.											
02:30 06:00 3.5 LDDP. VIS 38 WT 10.9. CREWS: FULL / NO INCIDENTS REPORTED / HSM: LDDP & PINCH POINTS.											
FUEL: 1215 GAL. USED 1090 GAL. MUD LOGIC UNMANNED UNIT, 6 DAYS. NOTIFIED JAMIE SPARGE VOICE MAIL, WITH THE VERNAL BLM FIELD OFFICE ON 5/5/2008 @ 09:00 HRS OF CASING RUN & CE JOB TO TAKE PLACE ON 5/6/2008.											
05-07-2008 Reported By JIM LOUDERMILK											
DailyCosts: Drilling\$46,775Completion\$136,654Daily Total\$183,429	\$183,429										
Cum Costs: Drilling \$622,050 Completion \$137,004 Well Total \$759,054											
MD 9.070 TVD 9.070 Progress 0 Days 7 MW 0.0 Visc	0.0										
Formation: PBTD: 0.0 Perf: PKR Depth: 0.0											
Activity at Report Time: RDRT/WO COMPLETION											
Start End Hrs Activity Description											
06:00 08:30 2.5 LDDP/BREAK KELLY & RETRIEVE WEAR BUSHING.											
08:30 09:30 1.0 HSM WITH WEATHERFORD TRS & RU.											
 14:30 5.0 RAN WEATHERFORD MODEL 303E FLOAT SHOE, (1.50'), 1JT, (40.61'), OF 4.5", 11.6#, N80, LTC, R3 CASING AND WFORD MODEL 402E FLOAT COLLAR, (1.50'). FOLLOWED BY 222 JOINTS, (8943.67'), OF 4.5", 11.6#, N80, LTC, R3 CASING, 3 MARKER JOINTS, (51.80'), 1 MCH, (8.30') AND 1 LANDING JOINT W / HANGER, (16.00'). ALL 4.5", 11.6#, HCP-110, LTC CASING. TD OF 9070', LANDED @ 9063.88', FLOAT COLLAR @ 9020.27', WITH MARKERS @ 6420.84', 4223.05' & 24.80'. CHECK SPACE OUT FOR MCH WITH JOINT #224. LAND CASING WITH 64K ON HANGER. 											
14:30 15:30 1.0 CBU / HSM WITH SCHLUMBERGER & RU.	_										
15:30 17:30 2.0 TEST LINES TO 5K. PUMP 20 BBL'S MUD FLUSH & 20 BBL'S OF FRESH WATER SPACER. Page 9	-										

LEAD: 255 SKS OF "G" MIXED @ 11.5 PPG, 2.98 YLD + 10% D020 + .2% D046 + .2% D167 + .5% D065 + .125 LB/SK D130. TAIL: 1455 SKS OF 50/50 POZ"G" MIXED @ 14.1 PPG AND 1.29 YLD + .2% D020 + .1% D046 + .2% D065 + .2% D167 + .1% D013 FOR ADDITIVES. DSPL: 140 BBL'S OF FRESH WATER PUMPED @ 6 BPM. FULL MUD RETURNS THROUGHOUT THE JOB, BUMPED PLUG WITH 1000 PSI OVER FPIP OF 2350 PSI, FLOATS HELD BLED BACK 1.5 BBL'S. CEMENT IN PLACE ON 5/6/2008 @ 17:30 HRS.

17:30	18:30	1.0 WAIT ON CEMENT / FMC REP TESTED PACK OFF TO 5K.
18:30	22:00	3.5 ND BOP, CLEAN MUD TANKS.
22:00	06:00	8.0 RDRT / PREPARE FOR TRUCKS.

CREWS: FULL / NO INCIDENTS REPORTED / HSM: LDDP, RUN CSG & CMT-PINCH POINTS & PRESSURIZED LINES. MUD LOGIC UNMANNED UNIT 7 DAYS, RELEASED ON 5/6/2008 @ 09:00.

WESTROC TRUCKING TO MOVE RIG 4.8 MILES FROM THE ECW 60-16 TO THE ECW 18-17 ON 5/7/2008 @ 07: 00 HRS. TRANSFER 5 JTS, (201.93' NET), OF 4.5", 11.6#, N80, LTC R3 CASING, 1 LANDING JT & 1 MJ, (10.12' NET), OF 4.5", 11.6#, HCP110 LTC CASING AND 3300 GAL. DIESEL FROM THE ECW 60-16 TO THE ECW 18-17. TRANSFER APPROXIMATELY 1100 BBL'S OF 10.9 PPG MUD TO THE MUD STORAGE FACILITY & VARIOUS RIGS.

06:00	06:00	24.0	RELEASE RIG ON 5/6/200	3 @	22:00 HRS.

CASING POINT COST\$ 622,051

0510200	8 Re	ported By	M	CCURDY							
DailyCosts	: Drilling	\$0		Com	pletion	\$39,504		Daily	Total	\$39,504	
Cum Costs	: Drilling	\$622,0	50	Con	pletion	\$176,508		Well	Total	\$798,558	
MD	9,070	TVD	9,070	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation	:]	PBTD : 0	.0		Perf:			PKR De	oth: 0.0	
Activity at	Report Ti	me:									
Start	End	Hrs Acti	vity Desc	ription							
06:00	06:00			CHLUMBERGE SING SHOE, RE		ITH RST/CBL/V IBERGER.	DL/CCL	./GR FROM P	BTD TO 940	'. CEMENT TO	P ABOVE
05-11-200	8 Re	eported By	M	CCURDY							
DailyCosts	: Drilling	\$0		Com	pletion	\$1,653		Daily	Total	\$1,653	
Cum Costs	s: Drilling	\$622,0	50	Com	pletion	\$178,161		Well	Total	\$800,211	
MD	9,070	TVD	9,070	Progress	0	Days	8	MW	0.0	Visc	0.0
Formation	:]	PBTD: 0	0.0		Perf:			PKR De _l	pth: 0.0	
Activity at	Report Ti	me: WO COM	PLETION								
Start	End	Hrs Acti	vity Desc	ription							
06:00	06:00	24.0 NU	IOM FRAC	TREE. PRESSI	URE TEST	ED FRAC TREE	E & CASI	ING TO 6500	PSIG. WO C	OMPLETION.	
06-05-200)8 Re	eported By	JC	E VIGIL							
DailyCosts	: Drilling	\$0		Con	pletion	\$48,136		Daily	Total	\$48,136	
Cum Costs	s: Drilling	\$622,0	50	Con	pletion	\$226,297		Well	Total	\$848,348	
MD	9,070	TVD	9,070	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation WASATCH	: MESAVE	RDE/	PBTD : 0	0.0		Perf : 7807'-	889'		PKR De _l	pth: 0.0	
Activity at	Report Ti	me: FRAC UP	R								
Start	End	Hrs Acti	vity Desc	ription							

06:00 06:00 24.0 MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8672'-73', 8686'-87', 8696'-97', 8710'-11', 8727'-28', 8744'-45', 8755'-56', 8779'-80', 8828'-29', 8840'-41', 8876'-77', 8894'-95', @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5212 GAL 16# YF116ST PAD. 6311 GAL 16# YF116ST W/ 1# & 1.5#, 28692 GAL 16# YF116ST + W/ 99400 # 20/40 SAND @ 1-4 PPG. MTP 6544 PSIG. MTR 51.5 BPM. ATP 5497 PSIG. ATR 48.5 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8650'. PERFORATE LPR FROM 8451'-53', 8476'-77', 8496'-97', 8537'-38', 8541'-42', 8559'-60', 8566'-67', 8593'-94', 8599'-00', 8609'-10', 8630'-31', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4578 GAL 16# YF116ST PAD, 6320 GAL 16# YF116ST W/ 1# & 1.5# SAND, 28456 GAL YF116ST + W/ 98200# 20/40 SAND @ 1-4 PPG. MTP 6352 PSIG. MTR 50.5 BPM. ATP 5599 PSIG. ATR 47.5 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8425'. PERFORATE MPR FROM 8156'-57', 8178'-79', 8196'-97', 8215'-16', 8227'-28', 8256'-57', 8299'-00', 8310'-11', 8329'-30', 8376'-77', 8386'-87', 8401'-02', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4556 GAL 16# YF116ST PAD, 8407 GAL 16# YF116ST W/ 1# & 1.5# SAND, 38764 GAL YF116ST + W/ 137900# 20/40 SAND @ 1-5 PPG. MTP 6527 PSIG. MTR 51.5 BPM. ATP 5549 PSIG. ATR 48.5 BPM. ISIP 3650 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 8120'. PERFORATE MPR FROM 7914'-15', 7937'-38', 7943'-44', 7952'-53', 7964'-65', 8004'-05', 8016'-17', 8023'-24', 8031'-32', 8055'-56', 8069'-70', 8085'-86', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4153 GAL 16#YF116ST PAD. 7566 GAL 16# YF116ST W/ 1# & 1.5# SAND, 35754 GAL YF116ST + W/ 128600# 20/40 SAND @ 1-5 PPG, MTP 6358 PSIG. MTR 51 BPM. ATP 5355 PSIG. ATR 51 BPM. ISIP 2330 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7885'. PERFORATE MPR FROM 7807'-09', 7824'-26', 7835'-37', 7845'-47', 7855'-57', 7865'-67', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3096 GAL 16# YF116ST PAD, 7149 GAL 16# YF116ST W/ 1# & 1.5# SAND, 33897 GAL YF116ST + W/ 121000# 20/40 SAND @ 1-5 PPG. MTP 6440 PSIG. MTR 51.5 BPM. ATP 4663 PSIG. ATR 49.5 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER. SDFN.

06-06-2008	R	eported B	y JC	E VIGIL							
DailyCosts: 1	Drilling	\$0)	Con	pletion	\$3,150		Daily	Total	\$3,150	
Cum Costs:	Drilling	\$6	22,050	Con	apletion	\$229,447		Well	Fotal	\$851,498	
MD	9,070	TVD	9,070	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation: MESAVERDE / PBTD			PBTD : 0	0.0		Perf : 6821'-	-8895'		PKR De _l	eth: 0.0	

WASATCH

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 6K CFP AT 7780'. PERFORATE MPR FROM 7553'-54', 7598'-99', 7608'-09', 7638'-39', 7649'-50',
			7663'-64', 7692'-93', 7706'-07', 7714'-15', 7735'-36', 7748'-49', 7754'-55'@ 3 SPF @ 120° PHASING. RDWL. RU
			SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3120 GAL 16#YF116ST PAD, 9326
			GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 42238 GAL YF116ST+ W/150200# 20/40 SAND @ 1–5 PPG. MTP 6260
			PSIG. MTR 51 BPM. ATP 4779 PSIG. ATR 48 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7515'. PERFORATE UPR FROM 7204'-05', 7229'-30', 7239'-40', 7266'-67', 7286'-87', 7293'-94', 7314'-15', 7340'-41', 7383'-84', 7430'-31', 7443'-44', 7494'-95'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3108 GAL 16# YF116ST PAD, 10703 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 50760 GAL YF116ST+ W/182000# 20/40 SAND @ 1-5 PPG. MTP 6356 PSIG. MTR 51.5 BPM. ATP 4508 PSIG. ATR 48.5 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 7120'. PERFORATE UPR FROM 6821'-22', 6836'-37', 6850'-51', 6864'-65', 6882'-83', 6906'-07', 6917'-18', 7030'-31', 7039'-40', 7051'-52', 7083'-84', 7093'-94', @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3315 GAL 16# YF116ST PAD, 12604 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 55754 GAL YF116ST+ W/200100# 20/40 SAND @ 1-5 PPG, MTP 6230 PSIG. MTR 52 BPM. ATP 4208 PSIG. ATR 49 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

Well Name: ECW 060-16 Field: CHAPITA DEEP Property: 059620

06-07-2008 Reported By JOE VIGIL

\$0 \$480,088 **Daily Total** \$480,088 DailyCosts: Drilling Completion **Cum Costs: Drilling** \$622,050 Completion \$709,535 **Well Total** \$1,331,586 MD 9,070 · TVD 9,070 0 MW0.0 0.0 **Progress** Days 11 Visc

Formation: MESAVERDE / PBTD: 0.0 Perf: 5134'-8895' PKR Depth: 0.0

WASATCH

Activity at Report Time: PREP TO MIRUSU

Activity Decemention

Start	Enu	ins Activity Description
06:00	06:00	24.0 RUWL. SET 6K CFP AT 6760'. PERFORATE NH FROM 6466'-67', 6487'-88', 6515'-16', 6590'-93', 6639'-40',
		6674'-75', 6710'-11', 6721'-22', 6728'-29', 6738'-39' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER,
		FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3085 GAL 16# YF116ST PAD, 7135 GAL 16# YF116ST

W/1# & 1.5# 20/40 SAND, 33460 GAL YF116ST+ W/120400# 20/40 SAND @ 1–5 PPG. MTP 5222 PSIG. MTR 51.5 BPM. ATP 4540 PSIG. ATR 48.5 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6350'. PERFORATE BA FROM 6094'-95', 6115'-16', 6131'-32', 6143'-44', 6157'-60', 6231'-32', 6242'-43', 6398'-99', 6312'-13', 6317'-18' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/, 3103 GAL 16# YF116ST PAD, 6328 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 28222 GAL YF116ST+ W/97500# 20/40 SAND @ 1-4 PPG. MTP 5693 PSIG. MTR 52 BPM. ATP 4126 PSIG. ATR 48 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6070'. PERFORATE BA FROM 5883'-85', 5890'-92', 5954'-55', 5967'-69', 5977'-78', 5986'-87', 6017'-18', 6041'-42', 6049'-50' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3082 GAL 16# YF116ST PAD, 7356 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 29882 GAL YF116ST+ W/102400# 20/40 SAND @ 1-4 PPG. MTP 4871 PSIG. MTR 52 BPM. ATP 3556 PSIG. ATR 49 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5832'. PERFORATE CA FROM 5611'-12', 5617'-18', 5634'-35', 5643'-44', 5714'-15', 5723'-24', 5742'-43', 5784'-85', 5804'-06', 5813'-15' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3105 GAL 16# YF116ST PAD, 7356 GAL 16# DELTA 200 W/1# & 1.5# 20/40 SAND, 26709 GAL YF116ST+ W/89700# 20/40 SAND @ 1-4 PPG. MTP 5111 PSIG. MTR 51 BPM. ATP 3549 PSIG. ATR 48 BPM. ISIP 1860 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5550'. PERFORATE CA FROM 5426'-28', 5438'-40', 5447'-49', 5461'-63', 5467'-69', 5517'-19' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3968 GAL 16# YF116ST PAD, 9465 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 34489 GAL YF116ST+ W/119900# 20/40 SAND @ 1-4 PPG. MTP 4946 PSIG. MTR 51.5 BPM. ATP 3605 PSIG. ATR 49 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5350'. PERFORATE CA FROM 5245'-46', 5260'-61', 5270'-71', 5282'-84', 5290'-93', 5299'-00', 5307'-08' & 5316'-18' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3135 GAL 16# YF116ST PAD, 9462 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 30453 GAL YF116ST+ W/106100# 20/40 SAND @ 1-4 PPG. MTP 5097 PSIG. MTR 53.5 BPM. ATP 3648 PSIG. ATR 50 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5208'. PERFORATE PP FROM 5134'-35', 5146'-47', 5163'-65', 5171'-73', 5178'-80', 5186'-90' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3097 GAL 16# YF116ST PAD, 9452 GAL 16# YF116ST W/1# & 1.5# 20/40 SAND, 32937 GAL YF116ST+ W/113600# 20/40 SAND @ 1-4 PPG. MTP 5122 PSIG. MTR 51.5 BPM. ATP 3866 PSIG. ATR 49 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5022'. RDWL. SDFN.

06-11-2008	Reporte		HISLOP					
DailyCosts: Dril	ling	\$0		Completion	\$33,987	Daily Total	\$33,987	
Cum Costs: Dri	lling	\$622,050		Completion	\$743,522	Well Total	\$1,365,573	

9,070 MD TVD 9,070 0 Days 12 0.0 0.0 **Progress** MWVisc Formation: MESAVERDE/ **PBTD**: 0.0 Perf: 5134'-8895' PKR Depth: 0.0 WASATCH Activity at Report Time: CLEAN OUT AFTER FRAC Start End Hrs **Activity Description** 24.0 SICP 0 PSIG. MIRUSU. ND TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 5022'. RU TO DRILL PLUGS. SDFN. 06:00 06:00 HISLOP 06-12-2008 Reported By DailyCosts: Drilling \$0 Completion \$55,507 **Daily Total** \$55,507 \$622,050 \$799,029 **Cum Costs: Drilling** Completion **Well Total** \$1,421,080 MD 9.070 TVD 0 9,070 0.0 0.0 **Progress** Days 13 MWVisc Formation: MESAVERDE / **PBTD**: 0.0 Perf: 5134'-8895' PKR Depth: 0.0 WASATCH Activity at Report Time: FLOW TEST Start End Hrs **Activity Description** 06:00 06:00 24.0 SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5022', 5208', 5350', 5550', 5832', 6070', 6350', 6760', 7120', 7515', 7780', 7885', 8120', 8425' & 8650'. RIH. CLEANED OUT TO' PBTD @ 9020'. LANDED TUBING @ 6805' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. FLOWED 10 HRS. 24/64" CHOKE. FTP 950 PSIG. CP 1200 PSIG. 69 FPH. RECOVERED 821 BLW. 15579 BLWTR. TUBING DETAIL LENGTH PUMP OFF BIT SUB .91' 1 JT 2-3/8" 4.7# L-80 TBG 32.78" XN NIPPLE 1.30' 206 JTS 2-3/8" 4.7# L-80 TBG 6754.34' BELOW KB 16.00 LANDED @ 6805.33' KB 06-13-2008 Reported By HISLOP DailyCosts: Drilling \$0 **Daily Total** \$55,507 Completion \$55,507 **Cum Costs: Drilling** \$622,050 Completion \$854,536 Well Total \$1,476,587 MD9,070 TVD 9,070 **Progress** 14 MW0.0 Visc 0.0 Days Formation: MESAVERDE/ **PBTD**: 9020.0 Perf: 5134'-8895' PKR Depth: 0.0 WASATCH Activity at Report Time: FLOW TEST TO SALES/INITIAL PRODUCTION-GAS Start End **Activity Description** 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 850 PSIG. CP 1100 PSIG. 60 BFPH. RECOVERED 1577 BLW. 16002 BLWTR. 06:00 06:00 0 MCFD RATE. INITIAL PRODUCTION. TURNED TO GAS SALES. SITP 850 & SICP 1150 PSIG. TURNED WELL TO QUESTAR SALES AT 01:00 PM, 6/12/08. FLOWING 120 MCFD RATE ON 24/64" POS CK. STATIC 325. HISLOP 06-14-2008 Reported By DailyCosts: Drilling \$0 \$5,285 **Daily Total** \$5,285 Completion \$622,050 \$859,821 **Cum Costs: Drilling** Well Total \$1,481,872 Completion

MD	9,070	TVD	9,070	Progress	0	Days	15	$\mathbf{M}\mathbf{W}$	0.0	Visc	0.0
Formation WASATCH	n: MESAVI I	ERDE /	PBTD : 9	020.0		Perf : 5134'-	-8895'		PKR De	pth: 0.0	
Activity a	t Report T	ime: FLOV	V TEST TO SA	LES							
Start	End	Hrs	Activity Desc	ription							
06:00	06:00		FLOWED 24 H 266 MCFD RA		OKE. FTP	1000 PSIG. CP	1450 PSIC	G. 22 BFPH. I	RECOVERED	657 BLW. 153	45 BLWTR.
			FLOWED 128	MCF, 5 BO/BC	& 1255 BV	V IN 24 HRS O	N 24/64" (CHOKE, TP	925 PSIG, CP	1050 PSIG.	
06-15-20	008 R	eported B	By H	SLOP							
DailyCost	ts: Drilling	\$0)	Con	npletion	\$2,765		Dail	y Total	\$2,765	
Cum Cost	ts: Drilling	\$6	522,050	Con	npletion	\$862,586		Well	Total	\$1,484,637	
MD	9,070	TVD	9,070	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation WASATCH	n: MESAVI	ERDE /	PBTD : 9	020.0		Perf : 5134'-	-8895'		PKR De	pth : 0.0	
Activity a	it Report T	ime: FLO\	V TESTING								
Start	End	Hrs	Activity Desc	ription							
06:00	06:00			OUGH TEST U 5 BLWTR. 255		RS. 20/64" CHO ATE.	KE. FTP 8	850 PSIG. CF	2000 PSIG.	38 BFPH. REC	OVERED
			FLOWED 166	MCF, 5 BO/BC	& 1255 BV	V IN 24 HRS ON	N 24/64" (CHOKE, TP	890 PSIG, CP	1590 PSIG.	
06-16-20	008 R	eported B	By H	SLOP	The second secon	the state of the second state of the second	er same and	and the second second second second	The second secon		THE PERSON NAMED IN COLUMN
DailyCost	ts: Drilling	\$0)	Con	npletion	\$2,765		Dail	y Total	\$2,765	
Cum Cost	ts: Drilling	; \$ 6	522,050	Con	npletion	\$865,351			Total	\$1,487,402	
MD	9,070	TVD	9,070	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation WASATCH	n: MESAVI I	ERDE/	PBTD : 9	020.0		Perf : 5134'-	-8895'		PKR De	pth : 0.0	
Activity a	t Report T	ime: FLOV	V TEST TO SA	LES							
Start	End	Hrs	Activity Desc	ription							
06:00	06:00		FLOW 24 HRS MCFD RATE.	. 20/64" CHOKI	E. FTP 850	PSIG. CP 2150	PSIG. 30	BFPH. REC	OVERED 782	BLW. 13723 E	BLWTR. 372

FLOWED 202 MCF, 7 BO/BC & 905 BW IN 24 HRS ON 24/64" CHOKE, TP 840 PSIG, CP 2075 PSIG.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL GAS WELL OTHER OIL WELL OTHER	8. WELL NAME and NUMBER:
2. NAME OF OPERATOR:	East Chapita 60-16 9. API NUMBER:
EOG Resources, Inc.	43-047-39150
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078 (435) 781-9145	10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde
4. LOCATION OF WELL	
FOOTAGES AT SURFACE: 655' FNL & 625' FEL 40.041408 LAT 109.324756 LON	COUNTY: Uintah
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 9S 23E S	STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION	
NOTICE OF INTENT	REPERFORATE CURRENT FORMATION
(Submit in Duplicate) ALTER CASING FRACTURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only)	WATER DISPOSAL
Date of work completion: CHANGE WELL STATUS PRODUCTION (START/RESUME)	WATER SHUT-OFF
COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE	✓ other: Site Facility Diagram
CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	
 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, voluments. 	nes, etc.
Attached please find a site facility diagram.	
Attached please find a site facility diagram.	
Accepted by the	
Visit Division -	
Gas and Mining	
FOR RECORD ONLY	
OIVE!	
NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk	<u> </u>
SIGNATURE MUCLUNTIU MALLON (° / DATE 7/8/2008	
The state of the s	PECENA
(This space for State use only)	RECEIVED
	JUL 1 4 2008

DIV. OF OIL, GAS & MINING

Oeog resources Site Facility Diagram

EX

Well Name: EAST CHAPITA 60-16

1/4 1/4:NE/NE Sec: 16 T:9S R:23E

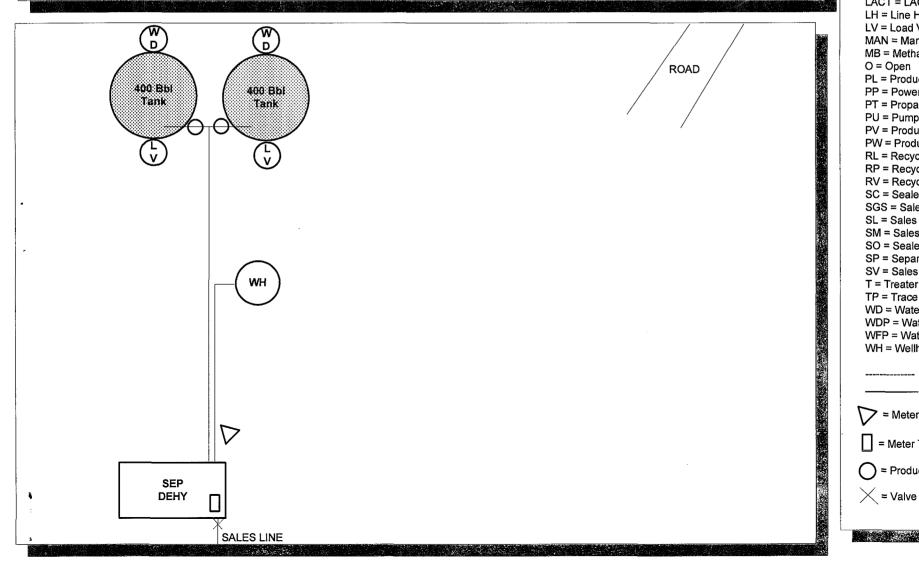
County:UINTAH State:UTAH

Lease: ML-47045

Site facility diagrams & site security plans are located at the Vernal office in Vernal, Utah. The office is located at 1060 East Hwy 40 and normal business hours are 7:00 a.m. to 4:30 p.m. Mon -Thurs and 7:00 a.m. to 1:00 p.m. fridays.

Vatue	Production Phase	Sales Phase	Water Orain
PV	0	SC	SC
LV	SC	0	SC
WD	SC	SC	0

DATED 7/8/2008



Abbreviations

AM= Allocation Meter AR = Access Road CHT = Chemical Tank COMP = Compressor CON = Condensor CT = Condensate Tank DL = Dump Line EP = Electrical Panel ET = Emergency Tank FW = Firewall LACT = LACT Unit LH = Line Heater LV = Load Valve MAN = Manifold MB = Methanol Bath O = Open PL = Production Line PP = Power Pole PT = Propane Tank PU = Pumping Unit PV = Production Valve PW = Produced Water RL = Recycle Line RP = Recycle Pump RV = Recycle Valve SC = Sealed Closed SGS = Sales Gas Scrubber SL = Sales Line SM = Sales Meter SO = Sealed Open SP = Separator SV = Sales Valve T = Treater TP = Trace Pump WD = Water Drain WDP = Water Disposal Pump WFP = Water Flood Pump WH = Wellhead ----- = Buried Line = Unburied Line ' = Meter Display = Meter Tube) ≈ Production Valve

STATE OF UTAH AMENDED REPORT FORM 8 DEPARTMENT OF NATURAL RESOURCES (highlight changes) DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045 6 IF INDIAN ALLOTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG 1a. TYPE OF WELL: 7. UNIT or CA AGREEMENT NAME 8. WELL NAME and NUMBER: b. TYPE OF WORK: WELL **Z** HORIZ. DEEP-RE-ENTRY DIFF. RESVR. East Chapita 60-16 OTHER 9. API NUMBER: 2. NAME OF OPERATOR: EOG Resources, Inc. 43-047-39150 PHONE NUMBER: 10 FIELD AND POOL, OR WILDCAT 3. ADDRESS OF OPERATOR: STATE CO ZIP 80202 Natural Buttes/Wasatch/Mesaverde 600 17th St., Suite 1000N (303) 824-5526 CITY Denver 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 655' FNL & 625' FEL 40.041408 LAT 109.324756 LON NENE 16 9S 23E S AT TOP PRODUCING INTERVAL REPORTED BELOW: Same 12. COUNTY 13. STATE AT TOTAL DEPTH: Same UTAH Uintah 14. DATE SPUDDED: 15. DATE T.D. REACHED: 16. DATE COMPLETED: 17. ELEVATIONS (DF, RKB, RT, GL): READY TO PRODUCE 🗸 ABANDONED 4965' NAT GL 4/5/2008 5/6/2008 6/12/2008 19. PLUG BACK T.D.: MD 9,020 18. TOTAL DEPTH: 20. IF MULTIPLE COMPLETIONS, HOW MANY? 21. DEPTH BRIDGE MD MD 9.070 PLUG SET: TVD TVD 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) ио 🚺 WAS WELL CORED? YES (Submit analysis) RST/CBL/CCL/VDL/GR, Temp. NO 🗸 WAS DST RUN? YES (Submit report) DIRECTIONAL SURVEY? NO 🔽 YES (Submit copy) 24. CASING AND LINER RECORD (Report all strings set in well) STAGE CEMENTER DEPTH CEMENT TYPE & NO. OF SACKS SLURRY VOLUME (BBL) BOTTOM (MD) **CEMENT TOP **** AMOUNT PULLED HOLE SIZE SIZE/GRADE WEIGHT (#/ft.) TOP (MD) 12-1/4 9-5/8 J-55 36.0 0 2,475 800 0 1710 11.6 9,064 7-7/8 4-1/2 N-80 25. TUBING RECORD DEPTH SET (MD) PACKER SET (MD) SIZE DEPTH SET (MD) PACKER SET (MD) SIZE PACKER SET (MD) SIZE DEPTH SET (MD) 6,805 2-3/8 27. PERFORATION RECORD 5134 8695 26. PRODUCING INTERVALS TOP (TVD) BOTTOM (TVD) INTERVAL (Top/Bot - MD) SIZE NO. HOLES PERFORATION STATUS FORMATION NAME TOP (MD) BOTTOM (MD) 8,672 8,895 3 Open Squeezed (A) Wasatch/Mesaverde 5,134 8.895 Squeezed 8.451 8.631 3 Open (B) 8,156 8.402 3 Squeezed Open (C) 3 7,914 8.086 Squeezed Open (D) 28. ACID. FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC. AMOUNT AND TYPE OF MATERIAL DEPTH INTERVAL 8672-8895 40.380 GALS GELLED WATER & 99,400# 20/40 SAND 39,519 GALS GELLED WATER & 98,200# 20/40 SAND 8451-8631 51,892 GALS GELLED WATER & 137,900# 20/40 SAND 8156-8402 30. WELL STATUS: 29. ENCLOSED ATTACHMENTS: DIRECTIONAL SURVEY DST REPORT ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT **Producing** OTHER: CORE ANALYSIS SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION

(CONTINUED ON BACK)

(5/2000)

RECEIVED

JUL 2 1 2008

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

						•				
DATE FIRST PRODUCED: 6/12/2008		TEST DATE: 7/3/2008			HOURS TESTED: 24		OH - BBL: 20	GAS – MCF: 736	WATER – BBL: 100	PROD. METHOD: Flows
CHOKE SIZE: 12/64"	TBG. PRESS. 1,900	CSG. PRESS. 2,000	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 20	GAS – MCF: 736	WATER - BBL: 100	INTERVAL STATUS Producing
	-			INT	ERVAL B (As show	wn in item #26)				
DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED	HOURS TESTED:		OIL - BBL:	GAS – MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF;	WATER – BBL:	INTERVAL STATUS
				INT	ERVAL C (As show	wn in item #26)				
DATE FIRST PRO	DDUCED:	TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS
		•	•	INT	ERVAL D (As show	wn in item #26)				
DATE FIRST PRO	DDUCED:	TEST DATE:		HOURS TESTED	HOURS TESTED:		OIL - BBL:	GAS - MCF:	WATER BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	BTU – GAS GAS/OIL RATIO 2:		OIL – BBL:	GAS - MCF:	WATER – BBL:	INTERVAL STATUS

33. SUMMARY OF POROUS ZONES (Include Aquifers):

34. FORMATION (Log) MARKERS:

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Wasatch/Mesaverde	5,134	8,895		Green River Mahogany Uteland Butte Wasatch Chapita Wells Buck Canyon Price River Middle Price River	1,775 2,418 4,515 4,656 5,235 5,901 6,834 7,630
				Lower Price River Sego	8,390 8,929

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached page for additional information.

36.	I hereby	certify t	hat the	foregoing and	l attached	information	is complete ar	nd correct as	s determined from	ali available	records.

NAME (PLEASE PRINT) Mary A. Maestas SIGNATURE

Regulatory Assistant

7/18/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- · drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

Utah Division of Oil, Gas and Mining Send to:

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

801-359-3940 Fax:

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.

^{**} ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

East Chapita 60-16 - ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

7807-7867	3/spf
7553-7755	3/spf
7204-7495	3/spf
6821-7094	3/spf
6466-6739	3/spf
6094-6318	3/spf
5883-6050	3/spf
5611-5815	3/spf
5426-5519	3/spf
5245-5318	3/spf
5134-5190	3/spf

28. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

	<u> </u>
7914-8086	47,638 GALS GELLED WATER & 128,600# 20/40 SAND
7807-7867	44,307 GALS GELLED WATER & 121,000# 20/40 SAND
7553-7755	54,849 GALS GELLED WATER & 150,200# 20/40 SAND
7204-7495	64,736 GALS GELLED WATER & 182,000# 20/40 SAND
6821-7094	71,838 GALS GELLED WATER & 200,100# 20/40 SAND
6466-6739	43,845 GALS GELLED WATER & 120,400# 20/40 SAND
6094-6318	37,653 GALS GELLED WATER & 97,500# 20/40 SAND
5883-6050	40,320 GALS GELLED WATER & 102,400# 20/40 SAND
5611-5815	37,170 GALS GELLED WATER & 89,700# 20/40 SAND
5426-5519	47,922 GALS GELLED WATER & 119,900# 20/40 SAND
5245-5318	43,050 GALS GELLED WATER & 106,100# 20/40 SAND
5134-5190	45,486 GALS GELLED WATER & 113,600# 20/40 SAND

Perforated the Lower Price River from 8672-73', 8686-87', 8696-97', 8710-11', 8727-28', 8744-45', 8755-56', 8779-80', 8828-29', 8840-41', 8876-77', 8894-95' w/ 3 spf.

Perforated the Lower Price River from 8451-53', 8476-77', 8496-97', 8537-38', 8541-42', 8559-60', 8566-67', 8593-94', 8599-8600', 8609-10', 8630-31' w/ 3 spf.

Perforated the Middle Price River from 8156-57', 8178-79', 8196-97', 8215-16', 8227-28', 8256-57', 8299-8300', 8310-11', 8329-30', 8376-77', 8386-87', 8401-02' w/ 3 spf.

Perforated the Middle Price River from 7914-15', 7937-38', 7943-44', 7952-53', 7964-65', 8004-05', 8016-17', 8023-24', 8031-32', 8055-56', 8069-70', 8085-86' w/ 3 spf.

Perforated the Middle Price River from 7807-09', 7824-26', 7835-37', 7845-47', 7855-57', 7865-67' w/ 3 spf.

Perforated the Middle Price River from 7553-54', 7598-99', 7608-09', 7638-39', 7649-50', 7663-64', 7692-93', 7706-07', 7714-15', 7735-36', 7748-49', 7754-55' w/ 3 spf.

Perforated the Upper Price River from 7204-05', 7229-30', 7239-40', 7266-67', 7286-87', 7293-94', 7314-15', 7340-41', 7383-84', 7430-31', 7443-44', 7494-95' w/ 3 spf.

Perforated the Upper Price River from 6821-22', 6836-37', 6850-51', 6864-65', 6882-83', 6906-07', 6917-18', 7030-31', 7039-40', 7051-52', 7083-84', 7093-94' w/ 3 spf.

Perforated the North Horn from 6466-67', 6487-88', 6515-16', 6590-93', 6639-40', 6674-75', 6710-11', 6721-22', 6728-29', 6738-39' w/ 3 spf.

Perforated the Ba from 6094-95', 6115-16', 6131-32', 6143-44', 6157-60', 6231-32', 6242-43', 6298-99', 6312-13', 6317-18' w/ 3 spf.

Perforated the Ba from 5883-85', 5890-92', 5954-55', 5967-69', 5977-78', 5986-87', 6017-18', 6041-42', 6049-50' w/ 3 spf.

Perforated the Ca from 5611-12', 5617-18', 5634-35', 5643-44', 5714-15', 5723-24', 5742-43', 5784-85', 5804-06', 5813-15' w/ 3 spf.

Perforated the Ca from 5426-28', 5438-40', 5447-49', 5461-63', 5467-69', 5517-19' w/ 3 spf.

Perforated the Ca from 5245-46', 5260-61', 5270-71', 5282-84', 5290-93', 5299-5300', 5307-08', 5316-18' w/ 3 spf.

Perforated the Pp from 5134-35', 5146-47', 5163-65', 5171-73', 5178-80', 5186-90' w/ 3 spf.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

Well name and	number: ECV	V 60-16			-
API number: 4	304739150				
Well Location:	QQ <u>NENE</u> Se	ction 16	Township 9S Range 23E	County	y UINTAH
Well operator:	EOG				
Address:	1060 E HWY	40			
	city VERNAL		state UT zip 84078	Phon	_{ie:} (435) 781-9111
Drilling contract	tor: ASPEN D	RILLING			
Address:	560 S. COMM		R. UNIT #1		
	city GRAND J	UNCTION	state CO zip 81505	Phon	ne: (970) 242-9592
	-		es as needed):		
г	DEF		VOLUME		QUALITY
	FROM	то	(FLOW RATE OR HEAD)		(FRESH OR SALTY)
			NO WATER		DRILLED WITH FLUID
L					
-					
<u> </u>					
-					
-		·			
L					
Formation tops	· 1		2		3
(Top to Bottom)			5		
	7		8		
	10		11		12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my know	ify that this report is true and complete to the best of my knowledge.					
NAME (PLEASE PRINT) Mary A. Maestas	TITLE	Regulatory Assistant				
SIGNATURE MANA A. Manta	DATE	7/18/2008				
SIGNATURE TO WOOD TO THE STATE OF THE STATE			_			

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47045 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 8. WELL NAME and NUMBER 1 TYPE OF WELL GAS WELL 🗸 OIL WELL OTHER East Chapita 60-16 9. API NUMBER: 2. NAME OF OPERATOR 43-047-39150 EOG Resources, Inc. PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT 3. ADDRESS OF OPERATOR: Natural Buttes/Wasatch/Mesaverde 1060 East Highway 40 Vernal UT 84078 (435) 781-9145 4. LOCATION OF WELL COUNTY: Uintah FOOTAGES AT SURFACE: 655' FNL & 625' FEL 40.041408 LAT 109.324756 LON QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 23E STATE: **UTAH** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF ACTION TYPE OF SUBMISSION ACIDIZE DEEPEN REPERFORATE CURRENT FORMATION NOTICE OF INTENT SIDETRACK TO REPAIR WELL FRACTURE TREAT (Submit in Duplicate) ALTER CASING NEW CONSTRUCTION TEMPORARILY ABANDON Approximate date work will start: CASING REPAIR CHANGE TO PREVIOUS PLANS **OPERATOR CHANGE** TUBING REPAIR PLUG AND ABANDON VENT OR FLARE CHANGE TUBING WATER DISPOSAL SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only) WATER SHUT-OFF PRODUCTION (START/RESUME) CHANGE WELL STATUS Date of work completion: RECLAMATION OF WELL SITE COMMINGLE PRODUCING FORMATIONS OTHER: CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed in November 2008.

(This space for State use only)

NAME (PLEASE PRINT)

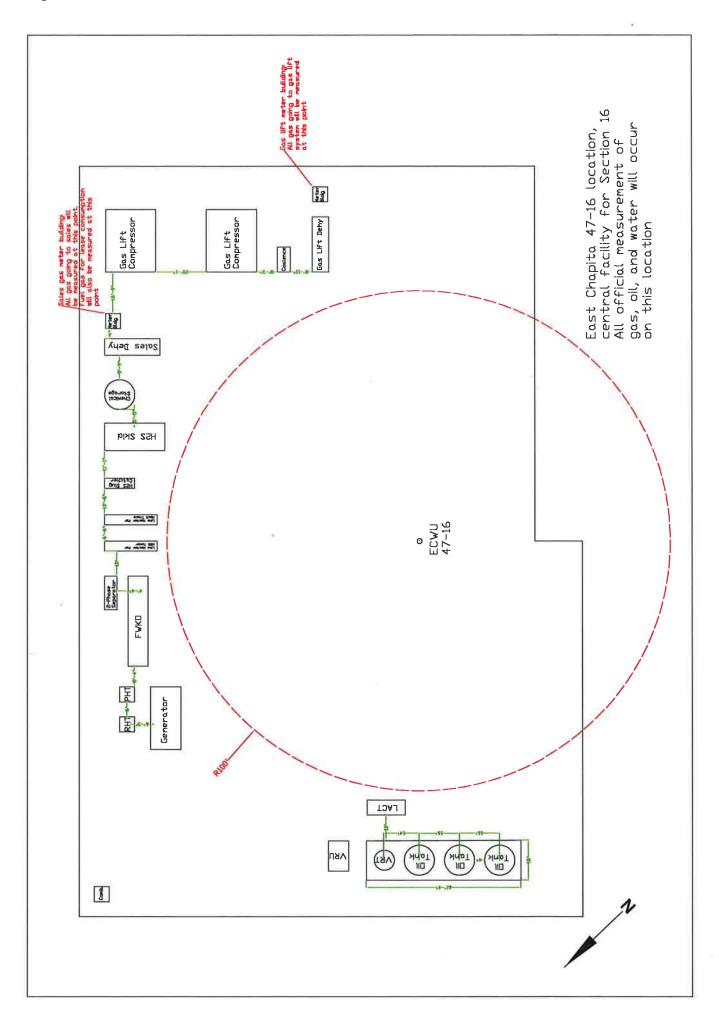
Mickenzie Thacker

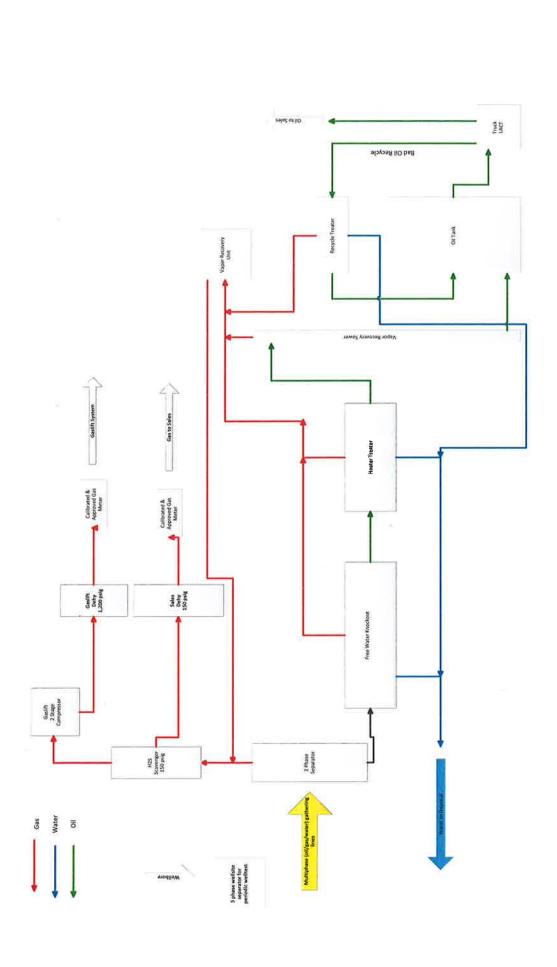


Operations Clerk

1/14/2009

			FORM 9
	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCE	NES.	
	DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: ML-47045
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	pposals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 60-16
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047391500000
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000	0 N , Denver, CO, 80202	PHONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0655 FNL 0625 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 6 Township: 09.0S Range: 23.0E Meric	lian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
4/9/2012	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	TUBING REPAIR	☐ VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	APD EXTENSION
	WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Measurement variance propo
EOG Resources, Inc	COMPLETED OPERATIONS. Clearly show C. respectfully requests author gas, condensate and water attached proposal.	orization to measure and	
NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMB 435 781-9145	ER TITLE Operations Clerk	
SIGNATURE N/A		DATE 4/9/2012	









EOG Resources, Inc. 1060 E Hwy 40 Vernal, Utah 84078

FedEx 7933 4391 7041

March 14, 2012

Division of Natural Resources Utah Division of Oil, Gas, and Mining Attn: Dustin Doucet, Randy Thackery 1594 West North Temple, Suite 1210 Salt Lake City, UT 84116

RE:

Central Facility - Gathering System Hydrocarbon Measurement Proposal Section 16 T9S R23E Uintah County, Utah

Gentlemen:

EOG Resources has submitted a proposal to the School and Institutional Trust Land Administration (SITLA) to install a Central Production Facility / Gathering System for Lease ML-47045. The facility will be located in the SWNE of Section 16, Township 09 South, Range 23 East, on an expanded East Chapita Wells (ECW) 47-16 well location. As you are aware, we have been producing a couple of the wells (ECW 103-16 and ECW 106-16) in section 16 utilizing gas lift operations to enhance production from the wells and have been encouraged with the results of that operation. Based on that fact, we intend to incorporate gas compression into Central Production Facility where we can process the gas, compress it and then send dry gas back to the wells for enhanced recovery via gas lift operations. All of the gas that we use for gas lift operations will be pulled out of the gathering system prior to the measurement point at the Central Facility. We believe that by moving our operations to a central facility, we can reduce air emissions, lower our operating costs (eliminating water hauling by pumping the water to the Coyote disposal facility located in Section 16), enhance our production and ultimately extend the life of the wells. At this time, we intend to measure all production from Lease ML-47045 at the central facility except for the production from ECW 59-16 well which will be measured on location utilizing the existing orifice meter for gas measurement and tank gauging for condensate and water measurement. Currently, the ECW 59-16 well is the only well in Section 16 that is located north of Coyote Wash and we would have to cross the wash to bring the well into the central facility. Eventually, as we continue to develop the lease we would bring the ECW 59-16 well into the central facility. At this time, we intend to leave the existing separator / dehydrator units on location in order to test our wells.

Therefore, EOG Resources would like to propose the following methods to measure the gas, condensate and water production from the aforementioned lease (except for the ECW 59-16) and



EOG Resources, Inc. 1060 E Hwy 40 Vernal, Utah 84078

the methods that we would like to use to measure and allocate production back to the remaining producing wells in the lease.

Gas Measurement – all gas leaving the lease from the central facility will be measured using an electronic flow meter (EFM) with orifice plate that is compliant with American Gas Association No. 3 (AGA) standards and State of Utah Regulations (R649-2-8). This meter will be calibrated on a quarterly basis.

Allocation Method – In an effort to reduce emissions, we intend to produce the wells directly into the gathering system. At least initially, we intend to leave the existing Separator / Dehydrator unit in place and utilize the existing EFM to test the wells on a quarterly basis. This will allow us to allocate production back to the individual wells based on well tests. Each well test will be run for a minimum of 24 hours. Therefore, we propose to allocate gas production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that percentage for each well and multiply it times the total production that is measured leaving the lease at the central facility on a daily basis. That gas volume will be allocated back to each well and will be reported on a monthly basis.

Gas Lift Operations – Every well in the lease will be evaluated on a case by case basis as to the viability to add gas lift operations to the well. We would like to propose, that for each well that we decide to convert to gas lift or the wells where we have already installed gas lift operations, to measure the injected gas via an EFM (orifice or v-cone) meter at the well site. Therefore, for each well that has had gas lift installed, the volume used for the percentage calculation for allocation to each well will be determined by subtracting the injected volume (per 24 hour period) from the produced volume that was determined during the well test for each well.

Oil / Condensate / Water Measurement — all condensate produced will be sold at the central facility via a Lease Automatic Custody Transfer (LACT) meter. The LACT meter will be proven on a quarterly basis. All water produced will be measured by a master (turbine) meter at the central facility prior to entering the pipeline that goes to the Coyote Saltwater Disposal Facility that is located within the lease boundary.

Allocation Method – We intend to install turbine meters on the dumps in the existing Separator / Dehydrator unit at each well so that we can accurately measure the condensate and water production from each well during the well tests. Therefore, we propose to allocate condensate and water production to each well by totalizing the results of the well tests for every well and then utilize the results of each individual well to determine a percentage of the total that each well contributes to the total. We will take that condensate percentage from each well and multiply it times the total condensate sold at the central facility per month for the allocated condensate production for each well and take the water percentage from each well and multiply it times water volume that is measured per month via the master meter that is located at the central facility for the allocated water production for each well. Those condensate and water volumes will be allocated back to each well and will be reported on a monthly basis.



EOG Resources, Inc. 1060 E Hwy 40 Vernal, Utah 84078

I look forward to hearing from you soon regarding our proposal. If you need any other information from me, I can be reached at (435) 781-9100 (office) or (435) 828-8236 (cell).

Sincerely,

Ed Forsman

Production Engineering Advisor EOG Resources - Vernal Operations

CC:

Ted Kelly – Big Piney Office Jim Schaefer - Denver Office

Denver file

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG RESOURCES

Operator Account Number: N 9550

Address:

600 17th St., Ste. 1000N

city Denver

zip 80202 state CO

Phone Number: (303) 824-5590

Well 1

API Number	Well	Name	QQ Sec Twp			Rng County 23E Uintah		
43-047-39059	EAST CHAPITA 81	318-16 SWSE 16 9S		98				
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date			
D	16707	18940	2/14/2008			3/12/2013		

Well 2

API Number	Well	Well Name QQ Sec Twp		Twp	Rng County		
43-047-39151	EAST CHAPITA 57-	16	NWNW	16	98	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	16730	18940	3/4/2008		3/12/2013		

Well 3

API Number	Well Name QC			Sec	Twp	Rng	County
43-047-39150	EAST CHAPITA 60-	16	NENE 16 9S		23E Uintah		
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	16784	19940		4/5/2008		31	12/2013
Comments:						•	

3/12/13

ACTION CODES:

MAR 1 1 2013

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit Well) OF OIL, GAS & MINING Name (Please Print)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

Vail Nazzaro

Senior Regulatory Assistant

3/8/2013

Title

Date